

Herald Tribune

PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

The World's Daily Newspaper

** R

London, Monday, April 19, 1999

No. 36,119

'God Saved Me to Come Out and Tell'

Burned by Serbs: A Survivor's Account

By Peter Finn
Washington Post Service

TIRANA, Albania — In an empty farm shed in the southern Kosovo village of Velika Krusa, Selami Elshani asked one of the Serbian paramilitaries standing in front of him and 14 other ethnic Albanian men whether he had children.

"Yes," the Serb replied.

"Please think about our children," Mr. Elshani pleaded.

The paramilitary, carrying an automatic rifle and wearing a light green uniform with white epaulettes and "Policija" written in white letters on his back, shook his head and said, "It doesn't interest me."

Another paramilitary said, "Let's start."

Within moments, 14 of the 15 men were dead, all except Mr. Elshani.

The Serbs threw straw on the pile of bullet-riddled

corpses, doused them with gasoline and set them on fire.

Three weeks later, in the Central University Hospital in Tirana, Mr. Elshani eased himself into a sitting position using his elbows to avoid leaning on his heavily bandaged hands. When unbandaged, his face, once angular and bronzed, appeared destroyed: lips reduced to pus and scabs; bloody sores bubbling from his singed hair to under his chin; cheeks dried white and black; bandages, streaked red by blood and yellow by iodine, wrapping his forehead.

Mr. Elshani grimaced as he rose from the bed. But he was determined. He had a story to tell: how 14 men were executed in cold blood. How their blood trickled down his face as he dared not breathe. How he smelled the gasoline when a paramilitary brought it into the room. How he burned. And how he survived.

"God saved me to come out and tell," said Mr. Elshani, 37.

In a bed where seepage from his wounds streaked the sheets with blood, in a cinder-block hospital where the pink and green walls were rotting and peeling, in a city of refugees and garbage and dust, Mr. Elshani was perhaps the most fortunate and the most cursed of the displaced.

"If I could not talk, nobody would know," he said.

"Those men. Nobody would know."

On March 25, the day after NATO started bombing Yugoslavia, about 50 people from the same extended family gathered in the house of Mr. Elshani's uncle, Mr. Elshani, his wife, his parents and his two boys, ages 4 and 8, had been living in Velika Krusa since the previous July when they were turned out of their home village of Reti, near the town of Rakovica, during a summer offensive by Yugoslav forces.

There were 10 fighting-age men in the house the

See SURVIVOR, Page 6

NATO Is Divided Over Blockade of Yugoslavia's Oil

France Says U.S. Plan to Stop Ships Would Widen the War

By Michael R. Gordon
New York Times Service

BRUSSELS — The United States wants NATO to prepare plans to choke off the supplies of oil that are still reaching Yugoslavia by sea, allied officials said Sunday.

American officials said the step was needed because Yugoslavia is receiving valuable imports of fuel by sea even as allied warplanes bomb its oil refineries and petroleum storage centers.

But the American proposal to start planning ran into objections from France, when it was presented at a closed-door meeting of allied ambassadors here last week.

French officials have questioned whether there is a legal basis to stop and search ships without a new resolution from the United Nations Security Council and voiced fears that to do so would widen the war.

The behind-the-scenes dispute illustrates the difficulties that NATO military commanders have encountered in trying to wage a military campaign that must be approved by ambassadors from the alliance's 19 nations.

The North Atlantic Treaty Organization's supreme commander, General Wesley Clark, would like to see the shipments stopped. Western officials say But NATO's military cannot do so unless the North Atlantic Council, the political arm of the alliance, gives General Clark the authority to plan and carry out an interdiction effort.

"It's ridiculous to risk the lives of allied pilots by bombing oil refineries and supplies in Yugoslavia when they are getting the oil some other way," an American official said.

From the start of the allied campaign, the elimination of Yugoslavia's oil supplies has been a major concern for the alliance.

Since the allies are not planning to use ground troops, they are relying on air strikes to compel Serbian forces to leave Kosovo. A major aim of the air campaign has been to destroy Yugoslavia's ability to refine, store and transport fuel for Yugoslav military.

NATO said Sunday that allied planes had struck the oil refinery at Novi Sad and that Yugoslavia no longer had the ability to refine oil. General Clark has

See NATO, Page 6



Kosovar refugees waiting in line Sunday for food distribution at the Braze camp in Macedonia, which has asked the UN to step up the transfer of refugees to third countries.

NATO Cites Proof of Mass Graves

44,000 More Kosovars Seek Refuge in Albania and Macedonia

By Joseph Fitchett
International Herald Tribune

PARIS — Claiming for the first time to have pictures of Serbian atrocities in Kosovo, NATO officials said Sunday that aerial photographs had revealed 43 mass graves and estimated that at least

How NATO went to war. Page 2. • Thousands in hiding, waiting to flee. Page 6. • The air war is succeeding, NATO says. Page 6.

3,000 ethnic Albanian men had been murdered in the past three weeks as Serbian troops and masked gunmen carried out mass killings and summary executions as part of their campaign to permanently change the ethnic balance of Kosovo.

The graves were dug in some cases by teams of ethnic Albanians working at gunpoint as Serbian commanders sought to bury evidence of war crimes.

See KOSOVO, Page 6

Italy and Germany Hail Telecom Deal

Their Finance Ministers Favor Alliance of European Giants

By Alan Friedman
International Herald Tribune

ROME — The top finance officials of Italy and Germany gave their blessing Sunday to the idea of an alliance between Deutsche Telekom AG and Telecom Italia SpA that could create Europe's leading telephone company and result in possibly the world's biggest merger.

Carlo Azeglio Ciampi, Italy's Treasury minister, and his German counterpart, Finance Minister Hans Eichel, emerged from a breakfast meeting in Dresden on Sunday expressing interest and even enthusiasm at the prospect of a Deutsche Telekom-Telecom Italia merger, which would create a company with a market value of \$200 billion.

"Both ministers were informed by the respective companies that they are holding merger talks," said an Italian official who asked not to be named. "And both Ciampi and Eichel agreed they are favorable about the idea, would not stand in its way, and that it is now up to the respective companies to see if they can cut a deal."

Separately, a spokesman for Telecom Italia said Sunday night in Rome that Franco Bernabè, the company's chief executive, would brief its board Monday on "talks now being held that concern an industrial alliance with Deutsche Telekom."

Italy's stock-market regulator, Consob, had asked Telecom Italia to make a statement in response to news reports of merger discussions by Sunday night.

Mr. Bernabè was said by an aide Sunday to be traveling between London and Bonn.

The talks between Telecom Italia and Deutsche Telekom, first reported Friday in the British press, came less than a week after Mr. Bernabè failed to win a quorum at a meeting of Telecom Italia shareholders called to approve a defense plan against a \$65 billion hostile takeover bid by Olivetti SpA. But the Olivetti bid has been eclipsed in recent days by the talks between Italy and Germany.

Deutsche Telekom confirmed Sunday night that it was discussing a possible tie-up with Telecom Italia, Reuters reported, but said no details had yet been agreed upon.

In Dresden, Mr. Ciampi said after his meeting with Mr. Eichel on Sunday that the German government was "open to this operation" and saw it as "an interesting fact."

The Italian minister was also quoted by Reuters as saying that Germany intended to privatize Deutsche Telekom, which is 74 percent state-owned, but that no details had been discussed at the breakfast meeting.

Mr. Eichel, for his part, was quoted by Reuters as saying, "We have an underlying liking for the idea that the two companies could get together." He added that he believed the existence of such a large European telecommunications company would be "a big advantage."

In the meeting Sunday, Mr. Ciampi sought and received assurances from his German counterpart that, should a merger go ahead, Bonn would agree to privatize the 74 percent of Deutsche

Telekom it still owns, according to an Italian official.

"But we know this could take 18 months, into the year 2000, and in that period we would want to make sure that the company's control and strategy is based on a merger of equals, on reciprocity," the official said.

Mr. Eichel also said Sunday that Germany wanted to privatize Deutsche Telekom but under the best possible conditions.

"We won't renounce the possibility of getting the best price possible," he was quoted by Reuters as saying. "Italy would not do that."

Vincenzo Visco, Italy's tax minister, who also met Mr. Eichel in Dresden, was quoted Sunday by Reuters as saying that an eventually merged company would have to be managed on "absolutely equal terms," a recurring theme

See TELECOM, Page 13

Gandhi Party Bids for Power After India's Coalition Falls

By Celia W. Dugger
New York Times Service

NEW DELHI — A day after the Hindu-nationalist-led government fell, leaders of the opposition Congress (I) Party began trying to patch together a new coalition to govern this nation of 980 million people.

But political analysts and some Congress Party officials said that any new alliance drawn from the diverse and contentious collection of opposition parties was likely to be as rickety as the one that just lost power. And if the opposition is unable to cobble together a majority, President K.R. Narayanan is empowered to dissolve Parliament and call new elections, for the second time in two years.

Prime Minister Atal Bihari Vajpayee, now serving as a caretaker leader, told workers for his Hindu nationalist Bharatiya Janata Party on Sunday to prepare for midterm elections because he did not expect any new government to last long.

It was also unclear Sunday whether the Congress Party president, Sonia Gandhi, heir to the political family that has dominated Indian politics since independence in 1947, would seek to become prime minister. On Friday, a party spokesman had said she would be the candidate, but party officials were less categorical Sunday.

"It's tough and go whether she will lead," one party leader said. "It is her personal decision."

Whoever leads the next government will be faced with the crucial decisions of whether to sign the nuclear test-ban treaty and how to calibrate India's hostile relationship with Pakistan.

Mr. Vajpayee's government alarmed the world last May when it conducted nuclear tests, which Pakistan rapidly answered with tests of its own. Last week, the two nations, which have fought three wars in 51 years, tested ballistic missiles that can carry nuclear warheads.

The Indian Parliament is now split almost down the middle between supporters and opponents of the year-old government that just collapsed. On Saturday, Mr. Vajpayee's coalition lost a confidence vote in Parliament by a single vote. Tellingly, Mr. Vajpayee, aggravated by months of public squabbling within his own coalition, said after he resigned, "I feel free."

The burden of coalition politics has now shifted to the Congress Party. Several analysts said it would have been better for Congress, which now has only 140 of the 545 votes in Parliament, if the government had survived. The party could have used the time to continue rebuilding its grassroots organization, and could have strengthened its vote base in parliamentary elections scheduled for March in five states.

But the government's fall was precipitated this week when Jayalalitha Jayaram, a scene-stealing former actress who heads the All-India Anna Dravida Munnetra Kazhagam Party from Tamil Nadu state, withdrew the support of her party's 18 members of Parliament.

"Congress is being pincched to power at the whim of Jayalalitha," said

See INDIA, Page 5

Ecevit Leads in Turkey

Few Expect Election to Lift Political Paralysis

By Stephen Kinzer
New York Times Service

ISTANBUL — Initial election returns in Turkey late Sunday showed Prime Minister Bülent Ecevit ahead of all challengers, suggesting that he would be in a strong position to form a new government.

Television projections showed Mr. Ecevit with 24 percent of the vote. The projections were made after about 13 percent of the votes had been counted, however, and were not considered wholly reliable.

The far-right Nationalist Action party, which was not represented in the last

Parliament, appeared to be making a comeback in early returns, with 17 percent of the vote. That percentage could fall as the larger cities were counted, but it seemed fairly certain that the party would easily clear the 10 percent barrier for parliamentary seats. In the past, Nationalist Action has supported militant and sometimes even violent Turkish chauvinism, but a new leadership team sought to provide a more moderate image in this campaign.

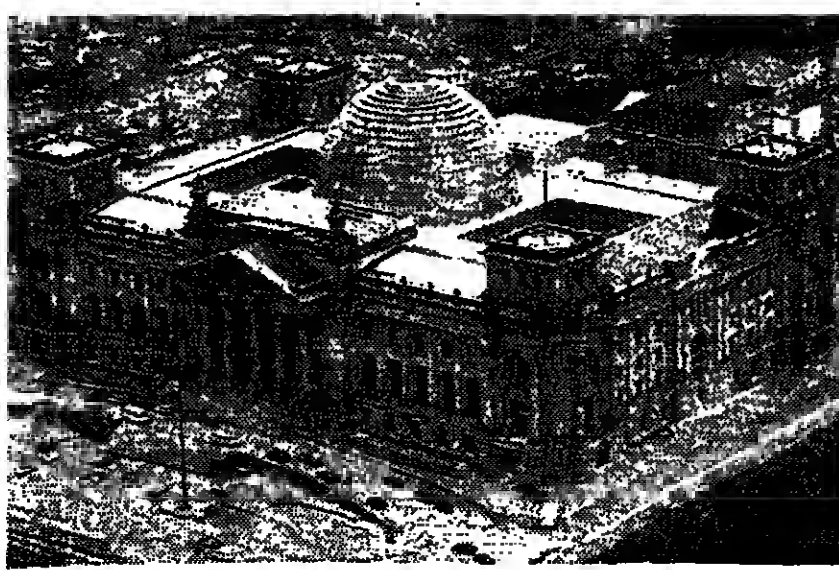
The results, if borne out by later returns, would be a bitter disappointment for the Islamic-oriented Virtue Party, the largest grouping in the last Parliament. Virtue was winning 15.9 percent of the vote, as against 21.4 percent in 1995.

Leaders of the party, which is anathema to Turkey's governing establishment and top military commanders, had hoped for a first-place finish, which might have allowed them to try forming a government. If early results hold up, however, Mr. Ecevit will probably be able to form a coalition with other secular parties.

Business leaders and other secularists, reportedly including the military, have been hoping for a coalition between Mr. Ecevit, who portrays himself as left-leaning, and former Prime Min-

See TURKEY, Page 3

AGENDA



REICHSTAG RENEWAL — The renovated Reichstag building in Berlin, where Germany's Parliament will meet Monday. The former and future German capital is to become the new home of Parliament this summer.

Timor Killings Raise Doubts on Plebiscite

A bloody weekend rampage by militiamen who want East Timor to remain part of Indonesia threatens to undermine talks this week on the future of the territory and a plebiscite scheduled for July.

Militia groups killed at least a dozen people in Dili, the capital, prompting renewed calls from the United Nations, Portugal and Australia for Indonesia to disarm the militia and restore order. Page 5.

Top Executives Quit at Compaq

HOUSTON (Reuters) — In a stunning fallout from its recent financial turmoil, Compaq Computer Corp., the world's No. 1 personal-computer maker, said Sunday that its chief executive and chief financial officer had resigned.

The company's board of directors said in a statement that they had named the chairman, Ben Rosen, and two vice chairmen to a three-person office of the chief executive and that Ben Wells, Compaq's treasurer, had been named acting chief financial officer.

Compaq disclosed April 9 that its first-quarter profit would be far short of forecasts. It blamed declining sales and a shift into products with lower profit margins.

Books Page 9.

Crossword Page 16.

Opinion Page 8.

Sports Pages 16-18.

The Internet Pages 7, 17.

The IHT on-line www.ihl.com

Newstand Prices	
Bahrain	1,000 BD
Cyprus	€ 1.00
Denmark	17 DKR
Finland	12.00 FM
Gibraltar	€ 0.85
Great Britain	€ 1.00
Egypt	SE 5.50
Jordan	1,250 JD
Kuwait	700 Fils
Malta	55 c
Nigeria	12500 Naira
Oman	1,250 QR
Qatar	10.00 QR
Rep. Ireland	IR £1.10
Saudi Arabia	10 SR
S. Africa	R16 incl VAT
U.A.E.	10.00 Dh
U.S. Mil.	€ 1.20
Zimbabwe	2m \$40.00



The Path to Crisis: How the United States and Its Allies Went to War

Printed by Newsfax International, London. Registered as a newspaper at the post office

هَكَذَا مِنْ الدُّنْيَا

EUROPE

Russian Tycoon Returns To Face His Accusers

By David Hoffman
Washington Post Service

MOSCOW — The Russian financier Boris Berezovsky returned to Moscow on Sunday to face questioning about money laundering and corruption allegations, saying the charges against him were "absolute lies."

Mr. Berezovsky, an often outspoken member of the informal club of seven financiers who helped re-elect President Boris Yeltsin in 1996, arrived at Sheremetyevo airport outside Moscow on a chartered flight from Nice. He is expected to meet with prosecutors Monday.

"I've never violated a law, and I've returned to Moscow completely calm," he told reporters. "I flew back to Russia without any doubts and I am convinced that I am not guilty before Russian law." He said he was prepared to respect Russian law "but not lawlessness."

The tycoon, a one-time mathematician who earned his early wealth as an auto dealer and middleman, has sharply criticized the government of Prime Minister Yevgeni Primakov. Mr. Primakov had vowed to put some of Russia's so-called oligarchs in jail but has denied that he was behind the arrest warrants for Mr. Berezovsky and another banker, Alex-

ander Smolensky.

Mr. Primakov "is trying to politicize" the case, Mr. Berezovsky said, but he added that "Primakov is not so petty as to avenge himself on me."

Mr. Berezovsky's case has been caught up in a related scandal surrounding Russia's chief prosecutor, Yuri Skuratov, whom Mr. Yeltsin is trying to fire. Faced with demands for his ouster, Mr. Skuratov, who carried out few prosecutions of high-level wrongdoing in earlier years, has been increasingly bold in accusing the Russian elite of corruption. Parliament has balked at Mr. Yeltsin's demands that Mr. Skuratov be fired.

The prosecutor at first issued arrest warrants for Mr. Berezovsky and Mr. Smolensky, both of whom were overseas. But then the warrant for Mr. Berezovsky was dropped last week, and he said he would come back to Russia to answer questions. Mr. Smolensky is reportedly still in Austria.

Many friends and foes described the arrest warrants as an obvious political gambit by Mr. Skuratov to hold on to his post. Mr. Skuratov's supporters include Communists who have long blamed the Russian tycoons for Russia's economic troubles.



A woman getting her finger stained with ink, an election-monitoring procedure, at a polling site in Ankara as elections got under way Sunday.

TURKEY: Ecevit Takes Lead in Voting

Continued from Page 1

ister Mesut Yilmaz, a center-rightist. That coalition may now be possible, although a third party may be necessary to give it enough votes to win a vote of confidence in Parliament.

The elections Sunday were held more than a year ahead of schedule. Turkey has been without a stable government since its last election in 1995.

The religious-oriented Welfare Party, which has since been banned and replaced by Virtue, finished first in the 1995 voting. Its leader, Necmettin Erbakan, formed a coalition government that appeared sympathetic to Islamic fundamentalism and to militant regimes such as those in Iran and Libya.

The fiercely secular military strongly disapproved of Mr. Erbakan's government and brought it under such intense pressure that it collapsed after one year. The secular government that succeeded it, headed by Mr. Yilmaz, failed to consolidate itself and collapsed last November. Mr. Ecevit was named as a caretaker prime minister to take the country to elections.

Soon after Mr. Ecevit took office, Turkish commandos captured the country's most wanted fugitive, the Kurdish guerrilla leader Abdullah Ocalan. His capture gave Mr. Ecevit an enormous boost, and suddenly he emerged as a figure who might stabilize the country's turbulent political scene.

Few Turks, however, expected the election Sunday to lift the political paralysis into which their country has fallen. One Istanbul newspaper captured the public mood with a front-page headline that asked: "Why Are We Holding These Elections?"

Foreign Minister Ismail Cem pledged that if re-elected to Parliament, he and his mentor, Mr. Ecevit, would work together for more jobs, better education and health care for all. But even if Mr.

Ecevit's party finishes first, it was almost certain to take less than 25 percent of the vote, which would force it to assemble a coalition with other parties.

The next government, then, whether or not Mr. Ecevit heads it, will probably have no ideological cohesion and will find it difficult or impossible to come up with strong measures to confront Turkey's central problems, particularly the Kurdish insurrection in the east. Most voters are acutely aware of those frustrations.

The campaign was distinguished by its silence on pressing issues. There was little debate about ways to expand democracy and increase respect for human rights and even less about how religious and secular impulses in Turkish society could be harmonized. Most remarkably, the Kurdish separatist insurgency that has been tearing at the national fabric for a decade and a half was barely mentioned.

"If a problem has dragged on for 15 years in a country," the commentator Mumtaz Soysal wrote in a newspaper column, "if that country has lost more than 30,000 lives and seen tens of thousands wounded due to that problem, if hundreds of thousands of people have been forced to migrate from the eastern part of the country to the west, leaving behind deserted towns and villages and settling in overcrowded cities, if people are still carrying out suicide attacks and trying to kill public officials, one would expect this problem to be a main topic in an election campaign."

"Is it not utterly incomprehensible," he added, "that a country can go to elections without addressing its most urgent problem?"

Military commanders ruled out any discussion of new approaches to the Kurdish issue, and the mere suggestion that they reconsider their rejection of Kurdish nationalism can bring a prison sentence. Urging a greater role for religion in public life is also taboo.

Officials Doubt Racism Led to London Explosion

At Least 39 in Brixton Are Injured by Nail Bomb

Compiled by Our Staff From Dispatches

LONDON — Authorities were still without definite leads Sunday as to who planted a nail bomb on a busy shopping street in south London, but they tried to quell growing speculation that the attack had a racial motive.

The police said 39 people were treated at hospitals and 21 were kept overnight, four of them in serious condition, after the device went off late Saturday afternoon in Brixton, an area with a large black population. Many of the injured suffered shrapnel-type wounds.

There was no warning, no claim of responsibility and none of the hallmarks of Irish Republican Army guerrilla actions, leading some rights activists and local residents to speculate that the bombing might have been racially motivated.

But Kate Hoey, a junior Home Office minister, said Sunday she doubted such a theory. "I would not want to rule anything out, but I would be very surprised if there is any kind of racist motive in it," she said on GMTV.

"It's too early to have a definite lead," she said. "I think we can rule out, because of the intelligence, because of the way the police operate and the way forensic people operate, that it was linked to Irish terrorism."

Handfuls of Brixton residents stood staring quietly at the scene Sunday. "It's

incredible," said one resident, James Murphy. "Why on earth would anyone want to blow up a fruit and veg market, in Brixton of all places? And when you think of all the kids and old people that were there, it's wicked."

Among the injured were an infant who had to have a nail removed from his skull, two people with serious eye injuries and a police officer who had gone to the scene after a suspicious bag was reported.

Lee Jasper, a black rights activist who was in Brixton on Saturday, said the blast could have been aimed at the area's mainly Afro-Caribbean community, and some of the victims who spoke to reporters also said they suspected racism.

"Brixton is the symbolic black capital of the U.K.," said Mr. Jasper, who is secretary of the National Assembly Against Racism. "I don't rule out a racial motive."

Witnesses spoke of an eerie moment of silence just after the blast, followed by screaming as hundreds of people stampeded away from the area. "I felt my stomach, and it was hurting," Jeoma Nwokolo said from her hospital bed. "And my leg was hurting, and there was a nail that was in my knee as well. So I took that out, and I carried on running."

Race riots ravaged Brixton in the mid-1980s and were blamed on heavy-handed policing. (Reuters, AP)

BRIEFLY

Adams Says Accord On Ulster Is in Peril

BELFAST — The head of the IRA's political wing described Northern Ireland's peace accord Sunday as "in free fall" and said Britain must move to create a promised home-rule coalition to run the troubled province.

Gerry Adams, whose Sinn Féin party is the political arm of the Irish Republican Army guerrilla group, was speaking on the eve of talks in London with British and Irish leaders and rival Northern Ireland parties deadlocked over when paramilitary groups should be required to surrender their weapons.

"I think the agreement is in free fall," Mr. Adams said. Earlier, the province's first minister, David Trimble, who represents

the province's pro-British Protestant majority, urged Protestant extremists to surrender their arms, suggesting this could prompt the IRA to follow suit. (Reuters)

Swiss Voters Accept New Constitution

GENEVA — Voters approved the modernization of Switzerland's 125-year-old constitution Sunday, but the government's proposal passed less comfortably than had been expected.

About 59 percent of voters approved the new document, which abolishes Switzerland's gold-standard requirement and enshrines new rights, including the right to strike, into law.

But 12 of Switzerland's 26 cantons voted against the proposal, which needed to be approved by a majority of both voters and cantons. (AP)

Italians Vote on Blunting Influence of Small Parties

The Associated Press

ROME — Italians voted in a referendum Sunday intended to dump an electoral system blamed for the country's revolving-door governments.

The big question, however, was whether enough voters — 50 percent plus one of the 49.3 million eligible — would go to the polls for the referendum to be valid.

The referendum proposed abolishing the proportional representation system used to allocate 25 percent of the seats in the lower house of Parliament. The system allows even tiny parties to wield enough power to bring down a shaky coalition or stall legislation.

Shortly after the closing of polls at 10 P.M., RAI state television broadcast results of a telephone survey, by the Abacus polling company, of Italians who indicated that they had voted. Of those who voted, the pollsters estimated, 87 to 91 percent voted "yes."

But unless more than 50 percent of those eligible voted, the referendum would not count. Official results were expected Monday.

Most parties in Prime Minister Massimo D'Alema's coalition and much of the opposition called for a "yes" vote in the referendum on electoral reforms. Some small parties, which stood to lose the most, were opposed.

If the referendum passes, Parliament will have to abolish proportional representation formally. Heated debates over what the new electoral system should look like are under way.

Many leading politicians say a revamped electoral system might bring Italy in line with other European countries, which generally have fewer parties and a clear majority and opposition.

Rainy weather in much of the country was expected to have increased the turnout, discouraging people from taking weekend trips and ignoring the vote.

Journeys end, but miles follow you home



EARN FREQUENT FLYER MILES

Simply calling home can help you embark on another journey. Of course, that's only if you use the MCI WorldCom Card, the only card that lets you earn five frequent flier miles for every dollar you spend.* Using the card also gives you access to operators who speak your language and the low rates you've come to expect from MCI WorldCom. So, enjoy your stay, and use your card to call home and other countries.

To sign up, or to get additional access codes, visit us at www.mci.com/worldphone or ask your MCI WorldCom operator to make a collect call to 1-410-314-2938.

MCI WORLD COM

EASY TO USE WORLDWIDE

1 Just dial the WorldPhone access number of the country you're calling from.
2 Dial or give the operator your MCI WorldCom Card number.
3 Dial or give the number you're calling.

Belgium (CC) ♦	0-800-10012	Netherlands (CC) ♦	0800-822-8122
France (CC) ♦	0-800-98-0019	Spain (CC)	800-98-0014
Germany (CC)	0800-888-9000	Switzerland (CC) ♦	0800-98-0222
Ireland (CC)	1-800-55-1001	United Kingdom (CC)	
Israel (CC)	1-800-940-2727	To call using BT ♦	0800-98-0222
Italy (CC) ♦	172-1022	To call using CWC ♦	0800-98-0222

No. 36,128

ians

ste initial expla-
g contrasted with
earlier this month
oo a column of
along a road near
ays then for the
lanes had indeed
obtained only mil-
mistake publicly.
d so quickly that
ler, Javier Solana,
lay afternoon, he
incident, and said

e 10



for refugees.

ps

ilis of fabric.
two Albanian
rder, a spurt in
ple in the past
ers say, about
h. More than
ent cities, and
utstripped the

t," said Paula
of the UN

ed

agency said Mr.
of his "public
the government
of the federal

hian leadership
feat NATO and

onditioo of an-
ible fracture" in
shows the price

ge 10

DA

stance
Libya

oo has eased to
allow food
e sold to Iran,
officials said

s a softening
countries the
g viewed as
and export-
10.

S. Beef
n said Wed-
an U.S. beef
mless Wash-
meat had no
nes. Page 11.

Page 7.
Page 5.
Pages 6-7.
Pages 16-19.
with.com

THE AMERICAS

In Time of Turmoil, Will House Speaker Find His Voice?



Dennis Hastert, House speaker, is a consensus-builder with a quiet demeanor.

By Guy Gugliotta and Juliet Eilperin
Washington Post Service

WASHINGTON — Secretary of State Madeleine Albright and the national security adviser, Samuel Berger, did not want the new House speaker, J. Dennis Hastert, to allow a vote on Kosovo. They were meeting with him privately to tell him so.

They were pushing hard, sources close to the speaker said. If a resolution failed to pass, Mrs. Albright said, Mr. Hastert would have "blood on his hands," because the Serbs would be emboldened in their worst, with potentially catastrophic consequences for Kosovo's ethnic Albanians.

Mr. Hastert's lieutenants were waiting in his outer office, the sources said, and Mr. Hastert, Republican of Illinois, spoke carefully.

"I understand what you are saying," he replied, according to one source. "But I'm not going to make this decision myself. I believe all the members of the House should make this decision."

The meeting was the first foreign policy showdown of Mr. Hastert's speakership, and he handled it with what colleagues have come to regard as the Hastert style. He listened, he made few comments, and he insisted that the House make its opinion known without the ideological assist that members had come to expect from his predecessor, Newt Gingrich, Republican of Georgia.

On March 12, to the relief of the Clinton administration, the House voted, 219 to 191, to authorize peacekeepers in Kosovo. The next test could come this week, when Congress — as well as a badly divided Republican caucus — begins considering an expected administration request for at least \$6 billion to fund the next phase of the Balkans intervention.

It is not clear whether Mr. Hastert's non-committal approach will wear well over the long haul. While many members may give Mr. Hastert high marks for insisting that the House be involved in the debate, his reticence has made him appear unflatteringly wooden or even bewildered when more voluble colleagues, such as the Senate majority leader, Trent Lott, Republican of Mississippi, hold forth after White House briefings.

"So far, he's played the strong, silent type," said Marshall Wittman, congressional relations director for the conservative Heritage Foundation. "But he's going to have to find a voice."

"Yes, he has to take into consideration the feelings of his caucus," Mr. Wittman added, "but he also has to be very conscious about how his actions are perceived by the rest of the world. He is the third-ranking elected official in the United States."

Until a series of Republican leadership disasters thrust him into the spotlight this year, Mr. Hastert, 57, a former high school teacher and wrestling coach, was best known for his expertise on health care, his gentle demeanor and his role as chief deputy to the House majority whip, Tom DeLay of Texas.

Colleagues say Mr. Hastert draws inspiration from his early mentor, Robert Michel, Republican of Illinois, a former House minority leader who was a moderate and popular consensus-builder. Mr. Michel's gentility served him well for decades when Republicans were not in control of the House, and this approach may be a welcome template for Mr. Hastert, whose diminished majority often demands that sweet reason take precedence over brute force.

Mr. Hastert declined to be interviewed for this article, but colleagues and staff describe

him as strongly pro-trade, not particularly fond of foreign aid, keenly aware of U.S. responsibilities as a world leader, but not eager for America to be involved in every global hot spot. His record on national security through most of the 1990s shows a combination of general reluctance to entertain international entanglements and basic congressional foreign policy cussedness — in favor of a president from his own party, opposed to a president from the opposing party.

In written remarks, he has argued that Americans have "a compelling interest to use our armed forces only when our national security is threatened." His votes suggest he saw such a threat in the Gulf War during the administration of President George Bush, but not in Haiti during the administration of President Bill Clinton.

Mr. Hastert, an early opponent of U.S. involvement in Bosnia, has written that at first he did not believe the situation was serious enough to warrant the introduction of U.S. troops in a peacekeeping force. But in 1996, Mr. Hastert wrote, he met Slobodan Milosevic, then the president of Serbia, and this "changed my view." Mr. Milosevic is a "destabilizing force in Europe, who is bent on using extreme nationalism to achieve his goals," he wrote. "This argues for a more forceful American role."

And although he voted for the Kosovo resolution on March 12, he has never articulated his own views so starkly for his colleagues. Only on March 30, in an address before the Lithuanian Parliament in Vilnius, did Mr. Hastert abandon his habitual opacity and speak his mind.

Mr. Milosevic is "evil" and a "great threat" to Europe, he said, adding, "We have a duty to say no to ruthless dictators."

BRIEFLY

Gore Feels the Fallout in Poll

WASHINGTON — For the first time since the Monica Lewinsky scandal broke, Vice President Al Gore appears to be suffering the political fallout of President Bill Clinton's sins, according to a nonpartisan poll.

The survey by the Pew Research Center found Mr. Gore's popularity declining sharply in part because many Americans have a negative view of Mr. Clinton and they are exhausted by a series of Clinton administration controversies.

In test matchups, Mr. Gore lost to two Republicans: Elizabeth Dole, former president of the American Red Cross, and George Bush, the governor of Texas. But it is the underlying data that are more alarming for the vice president. They show that Mr. Gore is being damaged by Mr. Clinton's actions and that the vice president cannot count on women, the heart of Mr. Clinton's electoral strength, to help carry him to victory in 2000.

According to the Pew Center, 74 percent of respondents, including large majorities of Democrats, said they were "tired of all the problems associated with the Clinton administration" and only 29 percent wished that Mr. Clinton would run for a third term.

Overall, Mr. Gore's favorability rating has dipped to 47 percent from 58 percent last December. The last time Mr. Gore was viewed this negatively was when he was battling charges of fund-raising violations in September 1997. (WP)

'Protecting' Parents in Workplace

WASHINGTON — The Clinton administration is drafting legislation that would ban workplace discrimination against parents, a proposal that would extend to millions of workers new grounds for suing employers who deny them jobs or promotions because they spend time on family matters.

The initiative, to be introduced in the Senate this month, would treat parents "as a protected class with respect to employment discrimination," according to draft language provided by White House aides. It would, for example, prohibit employers from "taking a mother or father off of a career-advancing path out of a belief that parents cannot meet requirements of these jobs."

If it is enacted by Congress, labor lawyers say, the plan could trigger a raft of new discrimination claims in a federal court system already flooded by lawsuits alleging bias based on gender, race, religion, age or disability. Those categories are already protected under existing laws. (WP)

Clinton Targets Telephone Fraud

WASHINGTON — President Bill Clinton has appealed to Congress to enact legislation to stop telemarketers from preying on the elderly, declaring that fraudulent business deals offered by telephone pose "the greatest threat that many older Americans face."

In his weekly radio address Saturday, the president said that Americans lose an estimated \$40 billion a year to telephone schemes and that more than half the victims are older than 50. "That's like a fraud tax aimed directly at senior citizens," Mr. Clinton said.

He said he would propose legislation next month that would give the Justice Department authority to terminate telephone service if federal agents found evidence of an illegal telemarketing scheme or learned of plans to start one. (WP)

Hope Trumps Reality in Budget Process

By Tim Weiner
New York Times Service

WASHINGTON — Congress tells itself year after year to craft a budget carefully and stick to it when spending the tax money Americans send in. Last year it failed miserably, but this year could be worse, many members say.

No one wants a repeat of the fiasco in October — a last-minute bill, 4,000 pages long, lashed together in secret, larded with \$21 billion of extra "emergency" money and approved without anyone actually having read more than a handful of pages.

But no one knows precisely how to avoid it.

"They know there's a disaster coming," a senior House Republican staff member said. "They just want it to be magically solved."

David Obey of Wisconsin, the ranking Democrat on the House Appropriations Committee, put it plainly: "We are in never-never land."

This is the lay of the land: The Republican Congress, meeting its deadline for the second time in a quarter-century, gave final approval to a \$1.75 trillion budget plan Thursday. (Think of a dollar as a second. One million seconds is less than 12 days; 1.75 trillion seconds is about 57,000 years.)

Most of the \$1.75 trillion goes to mandatory programs like Medicare, Social Security and interest on the debt. That leaves about \$537 billion. The Pentagon will take more than half of that.

What remains is roughly \$246 billion in the Republican budget plan to run the government — about \$37 billion less

than this year. Expressed as a percentage of the U.S. economy, this spending is at its lowest in 37 years. It works out to about \$2.50 a day for every American.

This frugality, embodied in spending caps, was enacted into law in the landmark balanced-budget agreement reached between President Bill Clinton and Republicans in 1997.

"We intend to stay within the caps," J. Dennis Hastert of Illinois, the House speaker, said. "That was a promise we made in the American people."

The president and his party also pledged in keep the caps.

That promise will be hard to keep. There has been a good deal of dissembling about this. Mr. Obey said he had seen fellow members of Congress "tell the president the caps should be raised, and then go out of the White House, look at the cameras and say the caps have to be kept."

The caps require cuts in spending, and thus a consensus on what to cut. None exists now. No consensus, no spending bill; no bill, no way out of another ugly debacle, some members say.

If such a spectacle occurs again, it could cost Republicans control of the House next year, said Representative Sonny Callahan, Republican of Alabama, who heads the Appropriations subcommittee for foreign operations.

Mr. Callahan, a conservative, said the greatest challenge to consensus comes from the right. "Some of our own people, who dislike 1 percent of the bill, will vote against it all" on principle, he said. "If we have members of our own party who are willing to stop the machine for some minor issue, the Democrats will win."

With the memory of the speeding disaster last year still fresh, "there's hardly a member of Congress that doesn't realize the caps will be lifted," said Representative John Edward Porter, Republican of Illinois, who heads the Appropriations subcommittee for federal labor, health and education programs.

Another Appropriations Committee member, Nita Lowey, Democrat of New York, said: "The question is not if, but when."

But the extra money has to come from somewhere, and there is no agreement on where that might be. Republican leaders have pledged to cut taxes sharply and spend billions more on the Pentagon. This lacks a certain "political reality," said Jim Dyer, staff director of the House Appropriations Committee.

Mr. Dyer said Congress "can gimmick and trick" its way around the caps, which he called "basically numbers picked out of the air." Or, he said, "we can use or abuse the emergency declaration. And there are taxes and fees we can impose." Or Republicans and Democrats can fall off the wagon and drink deeply from the surplus, which next year will come exclusively from excess Social Security revenue.

None of that is politically palatable. And Republicans do not want another government shutdown, which they think also cost them political capital.

But "without some decisions from the leadership, and without a new deal between Congress and the White House on tax cuts and spending caps, we are heading for the same disaster as last year," a senior Republican staff member said.

Away From Politics

Computers at the three national weapons laboratories were placed back on-line after workers underwent two weeks of security training. Energy Secretary Bill Richardson had ordered the shutdown April 2 following reports last year that the Chinese government may have obtained weapons secrets from the Los Alamos, New Mexico, laboratory in the 1980s. (AP)

Two men drowned after their small fishing boat was swamped by the wake of passing cabin cruisers in the Caloosahatchee River, near Lake Okechobee in Florida, the authorities said. Witnesses said none of the four people aboard the boat was wearing a life jacket. (AP)

Organ donations by Americans rose 5.6 percent last year, according to the Health and Human Services Department and the United Network for Organ Sharing, which said that 5,786 donations of organs or tissue were made in 1998, up from 5,479 in 1997. (Reuters)

INTERNATIONAL

The Other Algerian Crisis: Idleness

New President Faces Large Population of Young and Unemployed

By Charles Trueheart
Washington Post Service

ALGIERS — As he campaigned across Algeria in the weeks before he was elected president Thursday, Abdelaziz Bouteflika took to lecturing his audiences about what he frankly called Algerians' "mediocrity."

Decrying the country's long slide into poverty, war and despair, Mr. Bouteflika reminded citizens that "you all played a part in the breakdown."

"I'm not here to beg for your votes, but to ask you to wake up," he said.

In one agricultural center, apparently for laughs, he described prevailing work habits:

"In Algeria, we work the land — a little. Then, we get in the shade, smoke a cigarette, play some dominoes, take a nap, drink tea with friends. And if someone hassles us in the street, we go home and slap the wife," Mr. Bouteflika said, according to a dispatch in the Paris newspaper *Le Figaro*.

Such vivid finger-wagging may or may not have helped Mr. Bouteflika win the presidential election.

He evidently had help from friends in the Algerian military and from the absence of any opposition. The six other candidates all withdrew 16 hours before the polls opened, charging the electoral deck had been stacked in Mr. Bouteflika's favor.

But the stereotype he offered of the prevailing torpor is no secret to any Algerian or any visitor.

For the young especially, idleness is a way of life, the future an uncertain notion — all the more so because the government's armed struggle against Islamic guerrillas steals resources from the elusive goal of rebuilding the country.

Along the twisting, knotted streets of Algiers, young men lean against flanking walls of whitewashed buildings, watching the world pass by.

The "wall people," as they are known, are the impassive face of the country Mr. Bouteflika inherits this week. They are Algeria's most profound statistic: Seven of 10 Algerians are under 30 years old. And the unemployment rate among the young is probably 60 percent.

Most of the wall people do not talk to foreigners. They turn shyly away, shaking their heads. Many do not speak French, Algeria's colonial language and still the language of the upwardly mobile.

One jobless loner said he lived with his family, nine people, in a room with a kitchen.

about the way they are governed.

"We don't have a democratic culture," said Djamil Benrabah, a former government official whose wife was one of the more than 75,000 victims of the civil war.

"People are demoralized," Mr. Benrabah said. "They don't believe in anything. What interests them is peace and reconciliation."

The struggle began in 1992, after the generals then pulling the strings canceled elections that a radical Islamic party, on a tide of popular revolt against bad times, was on the verge of winning.

Seven years later, the new president at least has the advantage of taking office when the insurgency is perceived to be in retreat.

Phrases like "terrorism is beaten" and "the Islamic tide has ebbed" litter the assessments of scholars, diplomats and other observers.

"All that social rage that was captured by the Islamist movement in 1991 has dissipated," said a Western diplomat in Algiers. "People have realized that's not the answer, either. It just doesn't work."

The killings that once ravaged this decayed Mediterranean city have abated since the government reached a cease-fire, still holding after 18 months, with Muslim fundamentalist rebels.

Hundreds of civilians were dying every week in late 1997 and early 1998. Now the victims are fewer, and more likely to be combatants, as Algerian security forces drive the Armed Islamic Group and its terrorist confederates out of populated areas.

But the killing goes on. Human Rights Watch estimates that at least 250 civilians were killed in March.

The killings follow a pattern. Families are targeted by terrorist gangs for refusing or being unable to pay an "Islamic tax." Three weeks ago, the throats of nine men, women and children were slit on an isolated farm, and attackers carried away two young women.

Even as the struggle winds to a conclusion, the wounds of the war are still open. An estimated 10,000 people have been abducted by terrorists, the women usually to be sex slaves for the self-styled holy warriors, according to the victims' families. There have been recent reports of mass graves south of Algiers.

Human Rights Watch says there are more than 3,000 other cases of Algerians who have "disappeared," a category involving people allegedly rounded up by government forces and never heard from again.

For all that they have suffered and still suffer, many Algerians have developed a resolute serenity as they wait for things to get better. "Patience is our struggle," declared Mourad, an Algiers bartender.



Abdelaziz Bouteflika urges Algerians.

Macrochec Dagblat/Agence France-Press

"Wake up," Abdelaziz Bouteflika urges Algerians.

Like many young men, this one gets by working in "business," of a nature unspecified.

"There is no future here," he said, shrugging. "We live in bad conditions. We have no rights."

Another young Algerian was asked if he was married.

"Are you kidding?" he said. "I don't have a job, I live with my family. How could I have a wife?"

The birthrate that exploded a generation ago, creating the bulging unemployment and cramped housing, has plummeted — a grim vote of no confidence in the future.

This demographic crisis facing Mr. Bouteflika, with all its economic and political implications, is no less urgent than settling the government's seven-year war against Islamic guerrillas.

The way he became president, in another Algerian election perceived as less than honest, only reaffirms the general cynicism that people have little to say

LANGUAGE

The Greatest Words, Through the Millennia

By William Safire
New York Times Service

WASHINGTON — The greatest speech of the minus-first millennium was the Lord's voice from the whirlwind in the Book of Job, the most extended direct quotation of God in the Bible. The poet-rabbi who wrote it used vivid word-pictures to mock the challenge to his fairness by the unjustly afflicted Job. In a savagely sarcastic rhetorical interrogation, he demanded:

"Where were you when I laid the foundation of the earth . . . while the morning stars sang together, and all the gods exulted?"

The first millennium began with its best speech: In the Sermon on the Mount, as reported by St. Matthew, Jesus began with the Beatitudes, a series of attention-riveting blessings, and opened a world of metaphor for speakers in come, like "Ye are the salt of the earth . . . the light of the world. A city that is set on a hill cannot be hid."

The second millennium boasts a stirring address by Ireland's Robert Emmet on the gallows. ("Let no man write my epitaph.") The American patriotic rouser rivaling Patrick Henry's "Give me liberty or give me death!" was the grandiloquent and yet eloquent Fourth of July speech that Representative Daniel Webster suggested might have been given by John Adams: "Sink or swim, live or die, survive or perish, I give my hand and my heart to this vote."

Toward the millennium's end, Winston Churchill told an embattled House of Commons: "I have nothing to offer but blood, toil, tears and sweat." FDR and JFK knew how to provide oratorical uplift, as did the Reverend Martin Luther King Jr., with "I have a dream." The best closing line was from Anatoli Shecharansky, who after addressing his dissonance to the courtroom and beyond, turned to the rubber-stamp Soviet judges with, "To you I have nothing to say."

But the best modern speech in English was more of a poem. Those who recite Lincoln's brief Gettysburg Ad-

dress seldom grasp its conception-birth-death-resurrection theme. A nation "conceived in liberty," "brought forth" or born, with all men "created equal." Then this birth is followed by images of death: "final resting place . . . honored dead," and verbs of religious purification like "consecrate . . . hallow."

Finally, "a new birth of freedom" in a nation that will "not perish" but be immortal. This elaborate construction by a president, steeped in the biblical idiom — but, like Jefferson, not known for his religiosity — was not dashed off on the back of an envelope.

Those are all "great" speeches on momentous occasions. But there were some shorter remarks made by lesser-known figures that sparkle in the sands of our time. Sojourner Truth, the evangelist, with her fierce "Ain't I a woman?" pioneered feminism, and Chief Joseph, known to the Nez Perce as Thunder Traveling to the Loftier Mountain Heights, ennobled surrender: "Hear me, my chiefs! I am tired; my heart is sick and sad. From where the sun now stands I will fight no more forever."

Here is the full text of a sentimental little speech that is the best I can find of its kind. George Graham Vest, from the nymonic home of Sweet Springs in Saline County, Missouri, was a member of the Confederate Congress during the Civil War; from 1879 to 1903 the skilled debater served as a senator from Missouri. He is remembered, however, for a speech he made as a young lawyer and repeated hundreds of times throughout his life.

Vest was representing a plaintiff who sued a neighbor for the killing of his dog. He ignored his client's charges and the defendant's testimony; instead, he won the case with a summation on the theme of fidelity. Swallow hard and read it aloud, standing up, to your family: there won't be a dry eye in the house.

A cooler Third Millennium may dismiss Vest's "Tribute to the Dog" as a tearjerker, but we rhetoricians of the Second are prepared to lick the orator's hand:

Gentlemen of the Jury.

The best friend a man has in the world may turn against him and become his enemy. His son or daughter that he has reared with loving care may prove ungrateful. Those who are nearest and dearest to us, those whom we trust with our happiness and our good name may become traitors to their faith. The money that a man has, he may lose. It flies away from him, perhaps when he needs it most. A man's reputation may be sacrificed in a moment of ill-considered action.

The people who are prone to fall on their knees to do us honor when success is with us may be the first to throw the stone of malice when failure settles its cloud upon our heads.

The one absolutely selfless friend that man can have in this selfish world, the one that never deserts him, the one that never proves ungrateful or treacherous is his dog.

A man's dog stands by him in prosperity and in poverty, in health and in sickness. He will sleep on the cold ground, where the wintry winds blow and the snow drives fiercely, if only he may be near his master's side. He will kiss the hand that has no food to offer; he will lick the wounds and sores that come in an encounter with the roughness of the world. He guards the sleep of his pauper master as if he were a prince.

When all other friends desert, he remains. When riches take wings, and reputation falls to pieces, he is as constant in his love as the sun in its journey through the heavens.

If fortune drives the master forth an outcast in the world, friendless and homeless, the faithful dog asks no higher privilege than that of accompanying him, to guard him against danger, to fight against his enemies.

And when the last scene of all comes, and death takes his master in its embrace and his body is laid away in the cold ground, no matter if all other friends pursue their way, there by the graveside will the noble dog be found, his head between his paws, his eyes sad, but open in alert watchfulness, faithful and true even in death.

Egypt Condemns 9 Militants to Death

Reuters

HEIKSTEP, Egypt — A military court Sunday sentenced nine Muslim militants to death for "leading an illegal group" and plotting violence and murder.

All nine of those condemned are fugitives outside Egypt. They included Ayman Zawahiri, leader of the Jihad

group, who is believed to be in Afghanistan, and his brother Mohammed.

The nine were among 107 defendants, at least 60 of whom remain at large, to be sentenced at the end of the highest trial of militants in Egypt since those that followed the assassination of President Anwar Sadat in 1981.

مكتبة من الأدب

ASIA/PACIFIC

Militia Killings Threaten Timor Autonomy Talks

Plebiscite Seen In Jeopardy After Rampage

By Michael Richardson
International Herald Tribune

SINGAPORE — A bloody weekend rampage by militia who want East Timor to remain part of Indonesia threatens to undermine talks this week on the future of the territory and raises new doubt about whether the Indonesian government can control the military, foreign officials say.

Militia groups loyal to Indonesia stormed through Dili, the capital of East Timor, on Saturday. Indonesian military officials said the attacks on houses and offices of pro-independence leaders had left at least a dozen people dead and many more wounded.

The killings prompted renewed calls from the United Nations, Portugal and Australia for the Indonesian authorities to disarm the militia and restore order.

Prime Minister John Howard of Australia said Sunday that he would contact President B.J. Habibie of Indonesia to express Australia's "deep concern" over the killings in Dili and the "growing evidence" that Indonesian security forces had failed to prevent repeated attacks by pro-Jakarta militia groups on supporters of independence.

"You would have to wonder whether these pro-integration militiamen are not getting some kind of permissive response from the Indonesian Army," Mr. Howard said on Australian television. "I am very concerned at the way in which the situation has deteriorated, and the Indonesian government cannot escape responsibility for at least some of that, if not all of it."

Mr. Howard said that the increased violence in East Timor was threatening a UN-organized plebiscite scheduled for July to enable people in the territory to choose between autonomy within Indonesia or independence.

Mr. Habibie reversed in January a policy of long-standing Indonesian opposition to independence when he offered the possibility of autonomy.

The foreign ministers of Indonesia and Portugal are to meet Thursday and Friday in New York under the auspices of the United Nations to finalize details of the Indonesian autonomy offer and how it is to be put to the people of East Timor.

Indonesia invaded East Timor in 1975 and annexed it in 1976. The United Nations has never recognized the takeover of the former Portuguese colony.

Indonesian news organizations, quoting local police and military officials, reported that more than 20 people, including the teenage son of a prominent independence leader, Manuel Caras-

calao, had been killed in Dili over the weekend. The violence occurred after more than 1,000 East Timorese militiamen armed with guns and machetes rallied Saturday in front of the office of the Indonesian-appointed governor.

A militia commander, Eurico Guterres, told his followers to clear the territory of groups supporting independence, journalists present at the rally said.

"Starting today, I command all pro-integration militias to conduct a cleansing of all those who betrayed integration," the commander said.

The mob also beat several foreign journalists and ransacked the office of a local newspaper, as well as other buildings and vehicles.

Police officers and soldiers appeared to make no effort to stop the violence, Reuters reported from Dili.

An aide to the spiritual leader of East Timor, Bishop Carlos Belo, said that the situation in Dili remained tense.

The Australian foreign minister, Alexander Downer, said it was "imperative" that Indonesian armed forces "begin the process of disarming the militias and that those responsible for the violence and killings be brought to account."

The Portuguese leader, Antonio Guterres, said in Lisbon that the latest killings undermined the need for a UN presence in East Timor to help halt the violence. The UN secretary-general, Kofi Annan, said in New York that he regretted "this apparent inability of the Indonesian authorities to control the violence by militias and to protect the civilian population."

Mr. Annan called for an immediate end to the escalation of violence "by all sides" in East Timor.

But the differences between Mr. Habibie's government and the security forces were underlined Sunday when civilian and military officials issued conflicting accounts of the Dili rampage.

A senior foreign policy adviser to Mr. Habibie said that Indonesia must accept the blame for the violence. "It's our responsibility because we are the only ones here," the adviser, Dewi Fortuna Anwar, told Reuters in Jakarta. "We condemn the act of violence," she said.

By contrast, the military put the blame on pro-independence groups.

There is increasing international concern that the Indonesian military regards the independence offer by the Habibie government as a serious threat to national unity and the honor of the armed forces, which analysts say has suffered thousands of casualties in fighting with pro-independence guerrillas in East Timor since 1975.

New Signs of Blast In Korean Air Crash

SEOUL — Korean Air said Sunday it had found more evidence to back its theory that a midair explosion caused one of its cargo planes to crash in Shanghai last week.

It made the comment as Chinese police were reported to have found the "black box," or flight-data recorder, of the McDonnell Douglas MD-11 plane. The airline, however, contradicted that report, saying the recorder had not been found.

"Records at the flight tower showed there were no emergency messages or problem reports in communications between the pilot and the tower, suggesting sudden death," an airline spokesman said.

He said the gauge of an altimeter recovered at the crash site indicated a height of 900 meters (3,000 feet), suggesting it had been jammed as if by an explosion.



PROTESTING SHORTAGES — Militants running away after throwing a bomb at police during a strike in Dhaka, Bangladesh, on Sunday.

Clinton Keeps Aliens From Going to Guam

HONOLULU — President Bill Clinton has given Attorney General Janet Reno authority to maintain custody of illegal aliens found in boats off the Northern Mariana Islands, easing worries in Guam that they would seek asylum there.

Several hundred illegal aliens from China have been apprehended in recent months in waters off Guam.

The president's directive Saturday would allow captured aliens to be held in the Northern Mariana, which is outside the U.S. immigration area, so asylum would not be available to them, said Leland Betts, an aide to Governor Carl Gutierrez of Guam. Mr. Gutierrez had sent the president a letter Tuesday outlining "a crisis triggered by an escalating mass influx of aliens from the People's Republic of China." (AP)

Protests in Malaysia

KUALA LUMPUR — Authorities have arrested 94 anti-government protesters in violent clashes with the police, news reports said Sunday.

Protests against the government of Prime Minister Mahathir bin Mohamad have rocked Kuala Lumpur since a judge sentenced the former deputy prime minister, Anwar Ibrahim, on Wednesday to six years in prison.

Nearly 1,000 demonstrators marched through the center of the capital Saturday, hurling rocks and taunting police as officers surged toward them swinging wooden batons and firing water cannons and tear gas. Chanting anti-government slogans, the protesters also faced off against riot police at an upscale shopping district and various mosques.

On Sunday, the capital was calm but tense as the police patrolled key locations in the center. (AP)

For the Record

Opposition activists enforcing a general strike clashed with the police Sunday in Dhaka, the capital of Bangladesh, leaving at least 20 people injured, witnesses and doctors said. The daylong street protests across the impoverished country were called by four main opposition parties to demand the resignation of Prime Minister Sheikh Hasina Wazed. (AP)

Queen Elizabeth II was scheduled to arrive in Seoul on Monday for a four-day visit aimed at improving business relations between Britain and South Korea. (AFP)

INDIA: After Government Falls, Former Opposition Seeks Coalition

Continued from Page 1

E. Sridharan, a political scientist who works for the University of Pennsylvania's Institute for the Advanced Study of India in New Delhi. "I don't think they're keen to form a government. This is not their script."

However, if Congress is to head a new coalition, it has little choice but to turn to Miss Jayaram, as she is known, who was the most troublesome of Mr. Vajpayee's

coalition partners. Ostensibly, she quit the government over issues of national security, but BJP officials said she was angry because Mr. Vajpayee refused to dismiss the state government of Tamil Nadu, which is aggressively pursuing corruption charges against her.

The problem for Congress is this: Leaders of a rival party from her state, the Tamil Maanila Congress, which has three votes in Parliament, say they will have no part of a coalition that includes

Miss Jayaram, whom they say is profoundly corrupt.

Even if Congress manages to form a government with Miss Jayaram in it, it would then be dependent on this exigent, headline-grabbing politician who could well quit again in a huff if she did not get what she wanted.

Several leading newspapers said in editorials Sunday that elections offered the best hope for a more stable government.

Migrants Find They Are Not Welcome at Beijing's Party

By Erik Eckholm
New York Times Service

BEIJING — "How can they get rid of us?" said a disbelieving Yang Zhiyu, sitting in the ruins of the Dragon Temple street market. "What we do benefits the everyday life of Beijing residents."

Ms. Yang, 36, moved here a decade ago from a village in southern China. With scores of other vendors along this street in western Beijing, almost all of them migrants, she was sitting next to a pile of rubble, all that remained of her shoe-repair stall, which she had been forced to tear down.

The demolition of such street markets this spring is officially described as part of a "beautification" program as Beijing prepares for celebrations of the 50th anniversary of the founding of the People's Republic on Oct. 1.

But even more, official pronouncements have made clear, it is also part of a master plan to cut the number of rural migrants living and working in the city.

Ge You, 45, is responding to his troubles just the way the city hopes: seven years after he moved here with his wife and daughter from Henan Province, the family is moving back to their village despite an utter lack of prospects there.

But experience and economic logic suggest that many other migrants will find ways to stay on and that newcomers will continue to stream in.

Along with street markets, Beijing has also vowed to destroy much of the unlicensed, add-on housing that is visible in back streets and rented to migrants. The city is also putting tight restrictions on the jobs that migrants can hold.

The new policies amount to a heavy three-pronged attack on the rural people, believed to number more than 3 million, who work as menial laborers in Beijing. Officials say the population of permanent legal residents is 12.7 million. According to official estimates, 1.8 million migrants are legally registered to work. At least half a million more are believed to be here illegally.

One of the implicit motives in expelling migrants is to open up more low-end jobs for permanent residents. But the migrants are skeptical.

"Please ask the government if Beijing residents are willing to ride those bicycle carts that transport most of their fruits and vegetables," Mr. Ge said. "Beijing people don't want to do the work, but they want to eat."

No. 36,128

ians

ste initial explosion contrasted with earlier this month, too a column of along a road near as then for the planes had indeed obtained only mistakes publicly. d so quickly that ter, Javier Solana, lay afternoon, he incident, and said

e 10



of The Associated Press for refugees.

A man who's been doing the impossible for half a century.



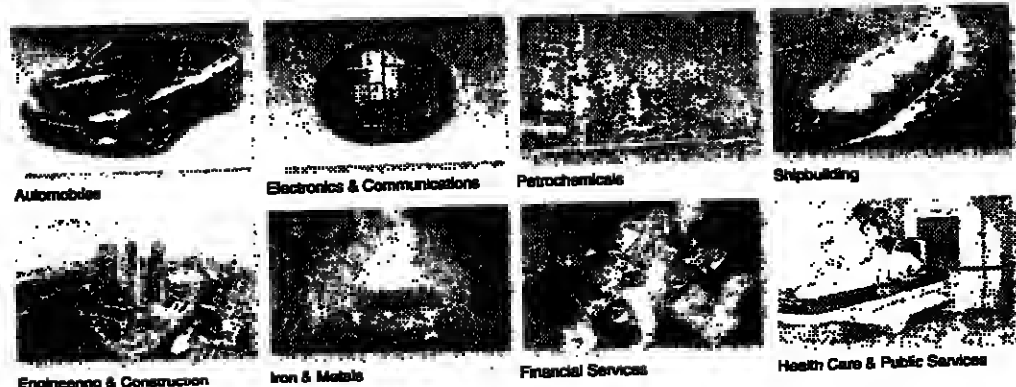
"Chung's cattle diplomacy may seem like a joke, but it's a major diplomatic tool." (Herald, November 9)
"The high-profile cattle show marked a milestone in the history of relations between the two Koreas." (Time, June 29)
"The first cattle show since World War II to mark the opening of a government sector." (The Washington Post, June 17)
"He will have the breeding ground for reconciliation and peace between North and South Korea." (Siddhanta Zang, June 17)
"Mr. Chung's presence is not a sentimental one. He's here to show several landmark projects to the North." (Financial Times, June 11)

Imagine crossing a border that's been closed for 48 years. Then imagine doing it with 1,001 head of cattle.

Achieving the "impossible" is nothing new for Chung Ju-yung, the 83-year-old Founder and Honorary Chairman of Korea's Hyundai Business Group.

This is the same man who literally brought the sea to its knees, reclaiming land on Korea's west coast with a large tanker destined for scrap. And the one who ingeniously used a small fleet of barges to transport prefabricated components nearly halfway around the world 19 times to build Jubail Harbor in Saudi Arabia, one of the construction wonders of the 20th century. In these and countless other projects over the past half-century, Chung found a way where others said it couldn't be done.

As Hyundai looks toward the future, we share Chung's spirit—an unwavering drive and ambition that has made us what we are today. And what will propel us into the ranks of the world's industrial leaders in the new millennium.



HYUNDAI

http://www.hyundai.com

DS

olis of fabric. ivo Albanian rder, a spurt in ple in the past ers say, about h. More than nt cities, and nstripped the t," said Panla e of the UN

ed

agency said Mr. of his "public the government of the federal

hian leadership feat NATO and

condition of an- ble fracture" in shows the price

e 10

DA

stance l Libya

oo has eased to allow food e sold to Iran, officials said

s a softening countries the g viewed as and export s 10.

S. Beef n said Wed- an U.S. beef less Wash- meat had no ces. Page 11.

Page 7. Page 5. Pages 6-7. Pages 18-19. wht.com

The Battle for Kosovo/Rising Speculation About Ground Troops

West Asserts Bombing Will Be Enough to Drive Milosevic Out of Kosovo

By Brian Knowlton
International Herald Tribune

WASHINGTON — Representatives of the nations that make up NATO contended Sunday that the air campaign against Yugoslavia was taking a heavy toll and making steady progress toward its goals, and they repeated that there were still no plans to use ground troops to force Belgrade's military out of Kosovo.

The U.S. secretary of state, Madeleine Albright, asked about British press reports that U.S. troops were already being trained for use in Yugoslavia, issued a qualified denial. "There is training going on all the time around the United States" for various contingencies, she said. When pressed by a reporter for ABC News, she added: "I have been told that there is no training specifically going on for this kind of operation."

And on an NBC News program, her deputy, Strobe Talbott, denied an assertion by Russian officials that NATO was making plans to call up ground troops.

Alliance leaders, however, hinted that there were differences of emphasis in European cap-

itals. Prime Minister Tony Blair of Britain pointedly told a reporter for CBS News that "we keep every single option under review," leaving the door open should NATO change course amid the mounting humanitarian costs of Serbian actions in Kosovo and Belgrade's continued defiance.

Showing no flexibility on the matter, however, Chancellor Gerhard Schröder of Germany said flatly that there was "no reason whatsoever" to alter the NATO strategy of relying solely on air attacks to force President Slobodan Milosevic to accept the alliance's demands that he withdraw his forces from the Yugoslav province and allow the return of hundreds of thousands of refugees.

"That ground-troops debate," Mr. Schröder said in Hannover in an interview with CNN, "is an artificial debate." He said he saw no sign of a shift by any alliance members. "There is no reason whatsoever" to abandon the air-based strategy, Mr. Schröder added.

Mr. Blair hinted at NATO's desire to be rid of Mr. Milosevic, never a stated aim of the alliance. "For people in Kosovo to return to their homes and be expected to live in any sense under the rule of Milosevic is now extremely difficult to con-

template," he said. "In the longer term, we have to see how we can ensure that this man Milosevic is not allowed to terrorize this region any more."

Those interviewed insisted that the bombing was working. "He is systematically being weakened," Mrs. Albright said. "Greater damage is being done to the things that really matter to Milosevic, to the things he really holds dear."

Mrs. Albright said Yugoslavia, in addition to witnessing the destruction of its military machine, was progressively being deprived of its energy supplies. Its oil refineries have been destroyed, she said, Croatia has turned off an oil pipeline into Serbia and NATO was studying ways to limit oil shipments by sea.

Mr. Talbott, meanwhile, challenged press reports that bad weather and a wariness to unleash an all-out assault on Serbia had allowed its military to ride out the attacks. "If you look at how much less in the way of armed night Milosevic has today than he had 26 days ago," he said on NBC, "that tells it all, because this is a leader who depends on brute force, and the instruments of brute force are being taken away from him."

Mr. Schröder called for the air attacks to be "sharpened," while Mr. Blair said the bombing should be "intensified." NATO began the campaign with about 400 planes at its disposal; it now has more than 1,000.

The qualified responses from alliance officials about the use of ground troops have stoked speculation that the alliance is quietly moving in that direction.

The NATO secretary-general, Javier Solana, Madriaga, hedged his responses when a reporter for Fox-TV asked him Sunday about a land assault on Yugoslavia. "At this point the alliance has no plans to go into an invasion," he said. He added, "At this point, yes, the strategy that we're going to maintain is an air campaign to the end."

Mr. Blair and Mr. Schröder both said they would welcome a Russian role in seeking a peaceful solution to the crisis, but only if it did not dilute NATO's stated aims: that Yugoslav forces withdraw from Kosovo and allow refugees to return under the protection of an international force. "If the Russians or anyone else can make Milosevic come into line with NATO's demands, fine," Mr. Blair said.

Mr. Schröder said that Germany, which sug-

gested last week that NATO would agree to a truce if Belgrade began withdrawing its forces, had no intention of weakening the alliance's solidarity. "The West," he added, "has got to stick to its position and pursue its position."

The assertions of unity came as NATO prepared to meet in Washington to mark the alliance's 50th anniversary. A leading Republican senator, Richard Lugar of Indiana, warned that misjudgments and miscues were putting "NATO at stake." Information from Yugoslavia, said Mr. Lugar, indicated that "things are going even more poorly than one would have predicted. Many are predicting that this will be the funeral of NATO, not the celebration."

Mr. Lugar urged that NATO at least begin a conspicuous effort to amass a major ground force. "I would do this very obviously, so that Milosevic, the rest of the world, understands that we are pulling together this ground force."

NATO's spokesman in Brussels shrugged off that suggestion. Jamie Shea said on CNN that mounting a ground force would take "many weeks if not months," adding: "We simply don't have several weeks or months at our disposal."

Fear and Rage in a Dark Belgrade

Civilians in the Yugoslav Capital Try to Endure the NATO Onslaught

By Steven Erlanger
New York Times Service

KIEV, Serbia — Sara, nearly 5, gets to watch her beloved "Ninja Turtles" on television, and "Power Rangers" too. But NATO bombs and missiles keep striking targets in Rakovica and Zarkovo, near this southern Belgrade suburb. So she has been sleeping in the basement every night for the last 25 nights of the air war against President Slobodan Milosevic.

She no longer huddles in a corner, hugging herself, when the bombs go off, said her mother, Biljana, talking in her living room, where there are now cracks in the walls from the shaking of the earth.

Biljana and her husband, Mile, 37, described the first night of NATO's bombing in an interview with The New York Times the next day, March 25, her 32nd birthday. Despite the air-raid sirens, no one believed that bombs would actually fall, and Sara insisted on watching "Ninja Turtles" until the night sky exploded and she told her mother that she wanted to die.

A month later, Biljana says, family life under the bombs has settled into a wrenching, nerve-racking routine, where the coming of each day is both a surprise and a new set of anxieties that the adults try to hide from the children. "I try to make it a game for Sara and Nemanja," Sara's 6-year-old brother, Biljana said. "At night, after dinner, we watch cartoons or read tales, Disney stories, and then when the air raid sirens go off, about 8:30, we go down to the shelter. I have books down there for them, and I sit with them until they fall asleep."

She pulled Sara to her and plastered her cheek with a kiss. "I try to protect them somehow," she said, "so they won't remember too much later, when it's finally over."

The children hear the sirens and see the air-raid warning symbol superimposed on the television screen. "But I don't think they actually know much

about the bombing," Biljana said. "They just know that when they hear the alert they have to go to the shelter."

The whole family — the two children, Biljana and Mile, and his parents, Aleksandar and Duka — sleeps in the tiny concrete basement, originally built for storage. "It's pretty crowded down there," Mile said. "We all sleep together, like pigs in a sty."

He normally gets up at about 4, and leaves for his job at an electrical-engineering plant at 5:45. If the bombs are nearby, he sleeps just a couple of hours, consumed with anxiety.

"The day is shorter now," Biljana said. "The night is always early, and the morning always seems to come late. You lie there, wondering if you will survive until the morning." She grabbed Sara and hugged her. "It's the end of the 20th century and it's like living in a village," she said.

Mile, too, has grown sadder and more angry in the last three and a half weeks of war. He admits, shamefully, that when he goes off to work at dawn, it is with relief. "I'm somehow free, because I don't see the kids and worry about them," he said. "But when I come home and see them, I feel terrible, so guilty, and I get worried sick about them."

He grabbed at another cigarette. "Why are the children guilty?" he demanded, angry. "What for? What did they do? Who did they abuse?" Asked if he has noticed changes in his own personality — if he is more short-tempered, is smoking or drinking more — he laughs hugely and raises his glass. "No," he says. "I'm drinking normally!"

Everyone laughed, and then he paused. "I am smoking more, at least when I can find cigarettes," he said. "Actually, it feels like I'm dreaming, that my life is not real."

Biljana said: "It's the lack of a future. You can't plan. You can't know about tomorrow, or next week. How long will it last? How can it end? All you do is think about how to save the children, to spare them."

Biljana also works, now on the af-

ternoon shift. She is at her factory from noon to 8 P.M., while her in-laws and neighbors take care of the children. "The whole day disappears," she said. "I come home and make a quick dinner before the alert, and then get the kids downstairs."

Mile broke in. "I can't see the end. I watch the news, just in look to see if there's a sign that it's ending."

"I'm an optimist," Biljana said. "I hope it will end soon. If I wasn't an optimist I'd go crazy."

Asked what she misses most, Biljana gave an involuntary sob, looking away, wiping at her eyes. "I adore the spring," she said softly. "My parents live nearby, just two bus stops away, and I like walking to visit them, or going to Kosutnjak," a nearby park. "But I can't now," she said. "I can't know what will happen."

Here Mile broke in, angry again. "How many lives must we lose before NATO can declare a victory?" he demanded. "What satisfaction will the Americans get? How many of us must die to keep NATO's reputation?"

Their friends, Aleksandar and Aleksandra, known as Sasa and Saska, stop in. They have two children, Luka, 7, and Damijan, 3. Luka gets silent, his father said, when the bombing begins. "When there are explosions, there is real fear in his eyes. They get oily and big, but he doesn't cry. When there are explosions in the night, I tell him, 'We are shooting at enemy planes.' And he said: 'Or are they shooting at us?'"

Sasa, a sensitive man of 37 who works with computers, said: "I try to explain to him not to hate, not to hate Americans and American things, that American people are not bombing us, but their leaders. He asks, 'Why do people elect these politicians?' And I say, 'I don't have influence on Milosevic, and the same is true of Americans.'"

Sasa, who has marched for democracy here, continued: "We are being screwed from both ends, from Milosevic and from NATO, which is helping Milosevic screw us even more."

He added slowly: "NATO is pushing us under the ice."



Selami Elshani in a hospital in Tirana, Albania, being fed by a nurse Sunday. He told of being shot at and set on fire by Serbian soldiers.

SURVIVOR: Massacre of 14 Reported

Continued from Page 1

night after the bombs began to fall, and they decided to flee to a nearby riverbank, fearing that any Serbian assault on the village would target them.

When the 10 men reached the river about 10 P.M. they found about 200 other men hiding there as well as dozens of women and children.

By 3:30 A.M., the villagers were surrounded by Yugoslav forces, silhouetted in the distance.

In the morning light, the villagers were ordered to emerge with their hands above their heads. The women were taken to the village mosque, and the men were lined up in six rows on either side of a road running through Velika Krusa. One by one, they were searched and stripped of money, identity papers and car keys.

When the search was over, the 200 men were ordered into an open area beside a farmhouse. They lay on the ground, face down, with their hands behind their heads. Out on the street, the men had been searched by Interior Ministry troops or special police forces, but in the courtyard they were guarded by about 20 Serbian paramilitaries.

For five hours, the paramilitaries moved among the ethnic Albanians, hitting them with wood. Mr. Elshani's right hand was broken. Five or six men were taken away individually, but Mr. Elshani said he overheard gunshots or screaming.

"I don't know what happened to them," he said. "We never saw them again."

After five hours, the men were ordered to stand and were asked who was out from Velika Krusa. Fifteen men, including Mr. Elshani, stepped forward.

They were marched 50 yards to a shed that had housed farm animals but was empty except for straw and muck. They were forced into a corner, where the men begged for their lives.

"We asked them to set us free," said

Mr. Elshani, who was standing at the front of the men. "We said, 'We have done nothing.' I said, 'Mister, is there any possibility to let us go? We are not terrorists.'"

"In the end, they said, 'Go ask Bill Clinton,'" Mr. Elshani said. "That's when we knew we would die."

Five men lined up in front of them with Kalashnikov automatic rifles. They fired a couple of rounds and Mr. Elshani fell to the ground. He wasn't hit. He just fell. A burst of gunfire erupted and bodies fell on top of him. Blood from the victims streamed down Mr. Elshani's face. He lay face up, his eyes closed, with one of the victims lying almost completely on top of him. "I felt his blood trickle on my face," he said.

The paramilitaries continued to fire into the corpses and Mr. Elshani was lightly grazed on the shoulder. The Serbs then covered the bodies with straw, soaked it with gasoline and lit it.

"I was mad with fear," said Mr. Elshani. The body on top protected him some, but the heat became intense. Mr. Elshani didn't know, however, if the Serbs were still around, and if crawling out meant certain death.

"I had to come out of the fire or die burned alive," he said. "It felt like an hour in the flames even though it was a very short time. It was horror for me."

"I pushed the body aside and opened the straw with my hands, and that's when my face and hands were burned."

Mr. Elshani rolled out screaming, oblivious now to his fear of the Serbs. His clothes were on fire. He pulled them off, stripping flesh from his hands. He ran screaming from the room and out into the yard where he found some water.

"That helped me find my senses," he said.

Out on the street, he said, there were about 20 corpses. He recognized two of his cousins and his brother.

"I looked at them carefully," he said. "I saw some people with half of their heads gone away." Mr. Elshani ran to his uncle's house, where he found his father, uncle and two other relatives, all elderly men. They started in fright, and no one seemed to recognize him.

"I said, 'It's me, it's me,'" Mr. Elshani said, "and they started to cry." From March 26 to April 1, the men hid Mr. Elshani in the basement, treating his burns with yogurt.

On April 1, an ethnic Albanian came to the house and said everyone was leaving. Mr. Elshani was hidden under blankets on the back of a tractor carrying elderly men. They made it across the border without being searched.

At an Albanian military hospital in Kukes, doctors cleaned Mr. Elshani's hands and face but told him he had to get to Tirana for treatment. Here, Mr. Elshani has had three skin grafts, and two more surgeries are planned.

After nearly a week at the hospital, Mr. Elshani saw his wife Mahije walk through the door. A relative had found her and Mr. Elshani's sons at a refugee camp in the southern Albanian city of Fier. The family had fled into the hills for four days March 26 and then joined a convoy of refugees going to Albania.

Two people have not come to see Mr. Elshani: his sons, Leotrim, 8, and Neditim, 4, who are being sheltered by an Albanian family.

"I can't have the kids see me," Mr. Elshani said. "They can't see me."

KOSOVO: Mass Graves Cited

Continued from Page 1

its Apache Loogbow helicopters at makeshift airstrips in Albania after the first of 24 flew across the Adriatic from Italy. General Wesley Clark, NATO's top commander, has to get final approval from President Bill Clinton before the heavily armored attack craft can be ordered into action as the deadliest tank-busting arm in the U.S. arsenal aimed at driving Serbian forces out of Kosovo.

Serbia broke diplomatic relations with Albania on Sunday, according to an Albanian government statement, with Belgrade reporting accusing Tirana of helping NATO's bombing campaign against Serbian forces.

Keeping alive the prospect that NATO will eventually use ground troops in a final offensive, the British prime minister, Tony Blair, said that allied governments were keeping that option under review while they pursued the air campaign.

In an interview on American television, Mr. Blair said NATO's task was to drive Slobodan Milosevic's forces out and that, "of course, as was said a few days ago, we keep every single option under review."

With some 40,000 Serbian troops and 300 tanks still operating in Kosovo, Britain's air marshal, Sir John Day, said in London that NATO's "campaign has some way to go."

NATO pursued its air war despite bad weather again, striking heavily at refining and storage facilities in Novi Sad as part of the alliance's strategy of starving Serbian forces of fuel and lubricants. Six missiles apparently hit the installation, illuminating the night sky in what Serbian television described as the strongest single air strike so far. Serbian media said that a nitrogen fertilizer plant and oil-storage depot near Belgrade also had been hit.

Brigadier General Giuseppe Marani, a spokesman at NATO headquarters, said other strategic targets also had been hit, including an ammunition plant and apparently an army headquarters near Pristina, the capital of Kosovo, that was said to have been directing the massacres and forced evacuations of the majority ethnic Albanians from the province.

But "you don't need a very strong structure in terms of command and control" for ethnic cleansing, General Marani said, so NATO warplanes were having trouble interfering with what he called "grave-digging chain gangs" in which other ethnic Albanians were being forced to bury their fellow Kosovars.

The corpses were being buried individually, with the graves aligned in the direction of Mecca in keeping with the Islamic tradition, he said, indicating that NATO intelligence had developed a detailed picture of these actions that corroborated accounts given by refugees.

Britain's armed forces minister, Doug Hendersoo, said Sunday that there were reports that Serb forces in Kosovo were using prisoners to clean up and cover up massacres.

"The clearing-up process has included transporting bodies to places well away from where the massacres occurred," he said.

NATO showed a photograph of one of the mass burial sites Saturday, the first time that Western intelligence data had been shown publicly, and officials at alliance headquarters in Brussels said that they were increasingly convinced that refugee accounts of summary executions taking place across Kosovo were true.

Refugee caravans were backed up for miles on the roads in Kosovo leading to Albania and Macedonia, and some Western officials suggested that Mr. Milosevic, the Yugoslav leader, was halting their movement with shelling, perhaps seeking to use them as bargaining chips with NATO.

A car full of refugees hit a land mine near the Albanian border, killing all five occupants, and Serbian police abruptly closed the border crossing, leaving an uncertain fate for thousands of others believed headed to Albania behind them.

Yugoslav troops have heavily mined the area along the road to guard against crossings into Kosovo by fighters of the Kosovo Liberation Army or a possible NATO incursion.

Pledging to renew Russian mediation efforts, meanwhile, Viktor Chernomyrdin, the former prime minister just named Russia's special envoy on the crisis, said that he would start traveling in a bid to find a diplomatic opening with Belgrade, perhaps as early as this week.

Mr. Chernomyrdin's appointment has been seen as a sign that President Boris Yeltsin wants to avoid being stampeded into worse problems with NATO by the anger among Russian nationalists at seeing Serbia attacked.

Thousands Swell Stream of Refugees

By William Booth
and James Rupert
Washington Post Service

The stream of refugees going out of Kosovo continued over the weekend as thousands of ethnic Albanians fled to Macedonia and Albania, and thousands more were reported to be hiding in their homes and in the forests, poised to leave the war-torn region.

Britain's armed forces minister, Doug Hendersoo, said Sunday in London that more than 20,000 had crossed the border in the previous 24 hours and that another 20,000 were waiting to follow.

Roughly 24,000 Kosovo refugees entered Albania, Macedonia and Montenegro on Saturday, according to figures issued by the UN High Commissioner for Refugees.

The arrivals, according to a report by Agence France-Presse, brought the overall estimate of refugees who have left Kosovo since the beginning of the crisis in the Yugoslav province in March 1998 in 735,000. The UN agency estimated that there were already some 170,000 Kosovo refugees on March 24 of this year, the day the North Atlantic Treaty Organization mounted its campaign of air strikes. Almost 600,000 have fled the Serbian province since then.

Relief workers also estimate that as many as 700,000 ethnic Albanians have been forcibly removed from their homes but remain in the province. Many came to refugee camps that, with heavy rains, had turned into mud. Torrential downpours soaked and chilled people huddling under sodden blankets or plastic sheeting on tractor wagons.

The most recent arrivals said many thousands more were on the way out behind them as armed Serbs continued to work street by street and village by village, forcing their way into homes and expelling ethnic Albanians at gunpoint.

The new surge of refugees, which followed a period of more than a week in which it had appeared that Yugoslav forces were attempting to limit or reverse the exodus, is putting stress on the abilities of the camps to care for them. Four of the seven camps in Macedonia are filled beyond capacity.

At Macedonia's largest refugee center, in Stankovce, many who arrived on Friday spent the night wandering around the camp, without a tent to sleep in.

There were no official figures, but refugees, doctors and other aid workers said that as many as several hundred might have remained exposed to the elements.

Relief workers in Kukes, Albania, where arriving refugees are being gathered, voiced increased concern about the availability of food in Kosovo, especially for unknown numbers of people who are hiding in the rugged mountains.

Albania Asks West for Aid

Tom Buerkle of the International Herald Tribune reported from London:

Albania has asked the West for more than \$800 million in aid to cope with the flow of refugees from Kosovo, underscoring the rapidly mounting humanitarian cost of the conflict in the province.

The request was made this weekend at the annual meeting in London of the European Bank for Reconstruction and Development.

The human influx is severely straining

the country's limited resources and could upset the delicate political balance, said Ermetinda Meksi, Albania's minister for economic cooperation and trade.

Tirana is seeking \$220 million in financial aid to cover the government's direct spending on refugees and \$600 million in material aid, Mrs. Meksi said.

Officials from the European Union, the United States and international lending agencies were expected to discuss aid to the region when the formal sessions of the development bank conference begin Monday.

Refugees Arrive in Germany

A final 273 refugees from Kosovo were due to arrive in Germany on Sunday night, bringing the number given shelter close to the 10,000 the country is prepared to take, Reuters reported from Bonn, quoting the Interior Ministry.

France admitted its first 317 Kosovo refugees on Sunday, they were being airlifted from a camp near the Macedonian capital, Skopje.

NATO: France Objects to U.S. Plan to Block Yugoslav Oil Imports

Continued from Page 1

capability was destroyed. The allies have been taking other steps to cut off Yugoslavia's fuel. A pipeline from Croatia has been cut off. Hoogary went so far as to limit the amount of fuel a Russian humanitarian convoy could bring with it on a recent relief mission to Yugoslavia.

But Belgrade has been trying to compensate for the allied attack by importing fuel that is already refined by sea. Many of the ships are registered in countries like Panama, Malta and Belize, making it difficult to determine where their shipments originated. The tankers go to the port of Bar in Montenegro.

One Western official who has access to classified intelligence reports said that about half a dozen tankers had docked at Yugoslavia since the conflict began. He said they carried tens of thousands of metric tons of refined fuel.

General Clark alluded to the problem of the oil tankers in a recent press conference, using the military acronym for petroleum: "We know that there are other sources of supply that he doing." General Clark said, "He's scrambling very hard to try to receive additional POL."

General Clark said the allies would soon take steps to cut off the supply from the tankers. "I think that in coming days we'll see additional measures, diplomatic and otherwise, taken to further constrain his POL resources," he said.

The diplomatic efforts to cut off the supply, however, have not gone smoothly at NATO, reflecting difference within the alliance about the scope of the war.

The United States asked the North Atlantic Council, the political arm of the alliance, late last week to authorize NATO military planners to develop plans to cut off the supply. A separate decision by the council would be needed to actually start the interdiction campaign.

In the face of the French objections, however, the council limited itself to asking NATO for a report on the military implications of a maritime effort to stop the flow of oil.

In advancing their proposal, American officials argued that arms embargo imposed by the United Nations Security Council should be broadly interpreted to include a ban on fuel for the Yugoslav military machine, according to allied officials. Further, American officials note, NATO launched its air strikes against Yugoslavia without a seeking a

UN resolution.

American officials also say stopping the shipments would be militarily significant. Because the Serbian military is hunkered down, they are not using much fuel. That means a relatively small amount of fuel can go a long way.

Additionally, the fuel that is now being delivered is already refined, which makes it especially useful since NATO has destroyed Yugoslavia's oil refineries.

France, however, has questioned whether NATO has the legal authority to stop and search the ships. During the Bosnia conflict in the mid-1990s, NATO stopped oil tankers from reaching Yugoslavia, but it did so under the terms of a resolution restricting trade with Belgrade.

France also argues that to stop and search Panamanian and other foreign ships at sea would broaden the allies' military campaign, according to allied diplomats familiar with the deliberations.

Lastly, some French officials have questioned the military utility of an oil embargo. They say that Yugoslav's military has anywhere from 30 to 90 days of fuel, according to estimates by NATO's military.

سكنا من الله محلي

EDITORIALS/OPINION

Herald Tribune

ESTABLISHED 1857
PUBLISHED WITH THE NEW YORK TIMES AND THE WASHINGTON POST

War and Analogy

Every war is conducted in the shadow of its predecessors, and the conflict in Kosovo is no exception. The United States is haunted by memories of World War II and Vietnam as it considers how intensely to prosecute the war in the Balkans.

That is entirely appropriate, for the history of those struggles is relevant to this one. But neither analogy exactly fits Kosovo, and seeing beyond them is essential if the country is to make a searching examination of the proper course to follow in Yugoslavia.

Secretary of State Madeleine Albright and other proponents of American military involvement in Kosovo cast the conflict as a test of American and European willingness to confront aggression and homicidal ethnic hatred before they spread.

They argue that in dealing with Slobodan Milosevic, the West must not repeat the appeasement at Munich in 1938 and other mistakes that initially allowed Hitler to move unimpeded against his neighbors and led him to conclude that Nazi policies would go unopposed. Because of the unimaginable devastation of World War II and the Holocaust, this view has great moral resonance today.

Opponents of American military action in Kosovo fear that, as in Vietnam, the country is being drawn deeply into a conflict where the national interest is unclear or nonexistent, the sacrifices may be dear and the outcome is uncertain.

They see another protracted, unpopular war that ends with an imperfect settlement that might have been reached before fighting escalated. The echoes of Vietnam are understandably — and properly — strong in a White House and Pentagon populated with men and women who saw the lives of their peers wasted by Lyndon Baines Johnson.

For every American generation of this century, the power of war analogies has been undeniable, and they have framed debate about every recent American military venture abroad.

George Bush, who was probably the last of the World War II veterans to occupy the White House, took America to war in the Gulf not only to protect the flow of oil, but also to defeat Saddam Hussein, a tyrant whom he equated with Hitler. Ronald Reagan maintained that his invasion of Grenada broke the paralyzing spell of Vietnam.

In fact, both analogies contain enduring truths. World War II did show that maniacal dictators are best crushed early. Vietnam taught us that it can be a criminal act to send troops into combat without the support of the American people and Congress.

But historical contexts change, and that affects the fit of old analogies to new circumstances. The bipolar world of the Cold War no longer exists. Does that mean that the remaining superpower has unavoidable responsibilities to function as a humanitarian police

force? Or does it mean that America should intervene in genocidal conflicts that would undermine the stability of an important region or ally and ignore more isolated bloodlettings?

President Bill Clinton began to grope toward an answer to these difficult questions last week when he told a gathering of newspaper editors: "At the end of the 20th century, we face a great battle between the forces of integration and the forces of disintegration, the forces of globalization versus tribalism, of oppression against empowerment."

In this new world, the savage assault on Kosovo demands a response, and one that proceeds from a clearer policy than has yet been defined by Mr. Clinton or the foreign-policy leaders in Congress.

Advancing the economic, political and ethnic integration of Europe is hard enough without a bomb-thrower like Mr. Milosevic. His actions present an intertwined humanitarian and diplomatic test to Europe and the United States. By forcing hundreds of thousands of ethnic Albanians to flee, Mr. Milosevic is using refugees to destabilize neighboring areas that he is unwilling to attack with his army. The sudden, explosive movement of peoples across Europe is a new form of aggression.

In the days ahead, Americans must ponder how vital these interests are to the United States. For the time being, NATO air strikes are the right way to attack the Serbian military and may weaken Mr. Milosevic's resistance. But the hour has come for a national conversation about how deeply the country is willing to be engaged in the defense of Kosovo.

Senator John McCain, Republican of Arizona, directly tackling the Vietnam analogy, predicts that a NATO ground force operating with advanced American weapons would quickly overcome Serbian troops. Even if that is not the case, Americans outraged by the Serbian brutality in Kosovo may be willing to risk the casualties that could come with an invasion. To make that judgment, Americans need to learn more about the conflict and its potential consequences.

Mr. Clinton is the only person who can lead a national seminar on Kosovo, and he made a good start last week, speaking in San Francisco, Detroit and Boston. Before long, Congress must commence a full debate.

Though the military obstacles in Kosovo are different from those in Vietnam — the Serbian Army, for example, is clearly not supported by large segments of the population in Kosovo — one lesson of Vietnam should be foremost in Mr. Clinton's thinking. In these excruciating situations, the president has to decide, in his own heart and mind, exactly what he wants and then seek the support of the American people and Congress for his military plan.

—THE NEW YORK TIMES

Campaign Reform

Sponsors of the discharge petition to force a U.S. House of Representatives vote on campaign finance reform quickly collected 189 of the 218 signatures they need last week. The signers include 188 Democrats and the lone House independent, Bernard Sanders. Some additional Democratic signatures probably can be had. But without some Republican names, the reform petition will fail.

There are 31 Republicans who are cosponsors this year, or were last, of the legislation the petition would release. Twelve signed last year's petition. They hold back this year out of deference to the new House speaker, Dennis Hastert, who has said he wants to postpone consideration of campaign finance until the House completes its work on tax cuts, appropriations, Social Security, Medicare, etc.

But everyone, including Mr. Hastert, understands what such postponement likely means. Campaign finance reform is an uphill fight in the best of circumstances. The longer the House waits to pass the bill, the easier it will be for opponents to stall and kill it in the Senate, as the Republican leadership twice did last year. By their deference to the speaker, the House Republicans who profess support for the bill are adding to the likelihood of its defeat instead. They have to choose: this is not a responsibility that a vote in favor, cast too late, will allow them to evade.

The current system of campaign finance is corrupting. Office is bought,

even if office-holders themselves are not too much of the money comes from interest groups that then have business before the victors. The 1996 presidential campaign made a joke of existing law, as Republicans have been complaining — rightly — ever since. The worst offenses came in the use of so-called soft money — the fiction wherein the national party organizations are used by both sides to raise and spend in behalf of their candidates vast amounts of money the candidates are forbidden by law to raise and spend themselves.

The legislation — which the House finally passed last year over the opposition of the Republican leadership, and which appeared to have majority and bipartisan but not filibuster-proof support in the Senate as well — would forbid the use of soft money and limit the use of some related subterfuges.

President Bill Clinton, whose own fund-raising excesses helped to inspire the bill, now professes to support it, and the Democrats have followed his lead. The Republicans, having spent countless hearings denouncing his excesses, with cause, now oppose the bill because they are in fact the more successful fund-raisers. That is the tangle of hypocrisy that passage of the bill could cut through, and that is the choice the ostensibly supportive House Republicans now have to make. They have been put in a difficult position. But no decision they make in this Congress will be more telling.

—THE WASHINGTON POST

Blair on NATO: We Must Defend Human Values

By Jim Hoagland

LONDON — The war in Kosovo is a turning point for his generation and for the NATO alliance. Prime Minister Tony Blair says with the calm implacability he has used to reshape British politics and institutions in his two years in power. Seated by a window at No. 10 Downing Street, he is mentally measuring Slobodan Milosevic for a political coffin like those into which he has stuffed his foes at home.

There will be no respite for Serbian troops, no negotiations with Mr. Milosevic and no quitting until Kosovo's refugees return home protected by NATO-led ground troops, Mr. Blair asserted with crisp determination. The NATO summit meeting this week in Washington must make these points irrevocably clear to the Serbian leader, he added.

Mr. Blair will be a key voice at the 19-nation, two-day summit meeting that begins Friday. He will press the view that the alliance must defend basic human values in Kosovo and elsewhere in the future. NATO must not limit its role to defending the territory of its members.

"There are real strategic interests at stake in the Balkans," the prime minister told me. "But I believe that a real sense of moral purpose is also motivating NATO. We either allow ethnic cleansing to succeed, or we say that the world community has an obligation to stop this most violent form of nationalism."

"Our job is to go in there and reverse it and defeat it," he continued.

"Just as globalization is opening up the world's financial architecture for discussion, re-evaluation and improvement, so we are being forced to con-

front the fact there is an international community, and inevitably there are conflicts that arise. You can't intervene everywhere. There are places you can't intervene at all. But I believe it is right that when we have the capability to make a difference that we do."

The horrors of Kosovo will accelerate a debate about an international right to intervene that Mr. Blair said should be held at NATO, the United Nations and other international organizations.

"People are recognizing that if there is a serious problem with the Brazilian economy it develops into a serious problem for the British economy or the European economy or the American economy. It is similar with security problems."

Working in shirt-sleeves in his airy office and sipping a midafternoon tea, Mr. Blair was eager on Thursday to keep the spotlight on Mr. Milosevic and not allow the accidental NATO bombing of Kosovo refugees to disrupt the allied air campaign.

"Milosevic will try to make propaganda out of any civilian casualties. We've got to be out there, up front, saying that the only reason there are any casualties at all is because of Milosevic, the only reason there is a conflict is because of Milosevic, the only reason there are refugees in a convoy anywhere is because of Milosevic."

"The idea that we should take lessons in humanitarian care for refugees from a guy who has been butchering them, having soldiers rape them and mutilate them, would stand morality on its head."

That is war crimes territory, I noted. Aren't you saying that NATO should be seeking to arrest Mr. Milosevic rather than keep a door open for him to make a deal? Mr. Blair skipped the mush that some of his fellow alliance leaders serve on that subject.

"I do not regard it as a negotiation. We have set out objectives and made demands. The campaign will go on until he meets them. Yes, I agree, it is difficult to see long-term stability

'We either allow ethnic cleansing to succeed, or we say that the world community has an obligation to stop this violent nationalism.'

while this man's policies remain active in the region."

His contempt for and concern over Europe's weak performance in Bosnia and again in Kosovo last autumn drives Mr. Blair's determination to build up the military capacity of NATO's European members. He confirmed in our conversation that he had favored sending British troops into Kosovo last October as part of an international force. (Washington squelched any discussion of the idea.)

"I was always in the forward end of the troop on this, because I always thought if we didn't intervene sooner, we would have to intervene later."

Mr. Blair was more cautious when asked about the use of ground troops

for combat now, an idea opposed by his friend and political ally, President Bill Clinton. But Mr. Blair projected a sense that he expects events to move NATO in that direction as the air war "intensifies" and breaks the Serbs' organized ability to resist in Kosovo.

"We have all options under review. We constantly revisit them. But we have made it clear that our plan is not for a land invasion to fight our way into Kosovo. We have set ourselves the task of using ground forces to allow the refugees to return. But it is important for us to keep the maximum flexibility in our own thinking and strategy, and not to feel obliged to discuss every last detail of it publicly."

He then counseled me not to rush past the obvious: "The key point is that we would be doing this air campaign in any event, because it would take some time to assemble an effective ground force."

Mr. Blair turns 46 on May 6. Many analysts in Britain believe that only an unexpected calamity — such as economic depression, or perhaps a war in the Balkans turning bad on him — can keep this personable baby boomer from leading Britain for the next decade.

Kosovo is an initiation, he concluded, surfacing the high moral sense and the killer instinct that cobabit in Tony Blair: "This is the first time that my generation has had to come to terms with the fact that it is necessary to use force on certain occasions to do what is right. I do believe that, in the end, if a course is right it will win. I also believe we have the capability in NATO to make sure that we do win."

The Washington Post

Vaclav Havel: A Sense of Solidarity With Kosovo Albanians

Following are excerpts from an interview with President Vaclav Havel of the Czech Republic that was broadcast on Czech television on April 12:

On the NATO mission in Kosovo:

Serbian theater directors who have staged my plays for decades and like me have written me this: "What have we done to you for you to bomb us?" I would like to tell them through this channel that they have done nothing to me, of course, but that their regime is slaughtering their fellow citizens, a large group of their fellow citizens, through its military forces. And doing that to the Albanians is the same as doing it to me.

That is the fundamental principle: If anybody is being hurt, I am being hurt. That is the principle of general human solidarity which crosses the frontiers of states, regions.

On Slobodan Milosevic:

I don't know if you watch Serbian TV. That is such unparalleled propaganda that it suppresses the very basics:

Most Serbs are completely ignorant of the slaughter of those Albanians, most Serbs believe their heroic nation has been attacked by vicious capitalists. That's horrible.

That makes us see again the huge power that you — that is journalists, that is independent news media, which are completely banned in Serbia — have. That nation is being massaged, some chords struck that are traditional and emotional in Serbian society — that is, a feeling of national pride and some sense of togetherness.

But should we look on, then, as this man has for a decade been waging one war after another? That's simply impossible. This intervention had to come one day, and in my opinion it came too late rather than too soon. The Kosovo negotiations have gone on for a year. Do negotiations take precedence? That's nonsense, you know. The negotiations had completely exhausted all the options available. And, I feel, the argument that he has been strengthened shouldn't work. It's as if you had said that the victorious Wehrmacht campaign in Poland had strengthened Ger-

man cohesion and loyalty to Hitler.

On potential Czech involvement in NATO's military operation:

We can't be one who hopes others will help him but who will not help anybody himself. Simply, that would be suicidal — with such an attitude we would bar the way for all other NATO membership candidates. [...]

I think we should fulfill commitments that follow from that membership, that many governments of many democratic states have arrived at, and I know our army has expert special units — professional, prepared and able to participate in a potential action.

On a potential diplomatic initiative by the Czech Republic:

First, I don't like it when, once it bursts open and a war is on, 2,000 wise men suddenly turn up, each spinning their own theory — how it should have been done — and everybody is an old Yugoslavia hand, an old Kosovo hand. For 10 years they didn't take notice.

The conflict simply ripened for 10 years. Every perceptive observer must have known that something, an explosion, was brewing, should rightly have taken interest, brought forth initiatives, et cetera. Now, suddenly, we have remembered Yugoslavia is a friendly country. And what were we doing before?

Second, they confuse the old and new Yugoslavias. To them the word "Yugoslavia" largely connotes the Dalmatian coastline, where all the Czechs vacationed. That is no Yugoslavia at all. That is Croatia, which has long since become independent. Dubrovnik, Split, the places dear to us, old beautiful monuments, were bombed by Mr. Milosevic. I would like to point out. When it's said Yugoslavia was supportive of us in '68 [...]

But was it just Serbia alone? It was as much Kosovo Albanians, Croats, Slovenians, as much Macedonians. Then it was a different Yugoslavia from what it is today. That is plain demagoguery, someone saying this — as if we had been age-old friends only with Belgrade.

Don't Remove the Lever Against China's Misbehavior

By Robert E. Lighthizer

NEW YORK — No sooner had President Bill Clinton pulled the plug on the deal to bring China into the World Trade Organization than he called the Chinese prime minister, Zhu Rongji, last week to restart the negotiations.

In pulling back from the deal, the president seemed to feel vulnerable on the trade front because of the Chinese political contribution scandal and reports about nuclear spying. Although this show of backbone seemed paradoxical — for six years his "engagement" policy has denied a link between Beijing's foreign and military policies and American economic ties to China — his action was nevertheless welcome.

Using economic pressure to counteract Chinese military or diplomatic aggression is exactly what is needed. If China joins the WTO on current terms, the ability of future U.S. presidents to exercise this "linkage" may be severely limited.

Unless changes are made when talks resume in Beijing this month, the United States may not be able, once China is in the WTO, to restrict Chinese imports in response to threats toward Taiwan, human rights violations in Tibet or religious persecution.

If it did so, China could complain to a dispute-settlement body within the organization that the United States had violated several of its rules, including the most-favored-nation principle, which prevents Washington from discriminating against the imports of any particular member of the WTO.

Of course, the United States could always invoke the trade organization's "national security" exception to justify a trade action against China. This exception purports to allow a WTO member to decide unilaterally when a trade action that otherwise would violate the rules is necessary for reasons of national security.

But China would probably argue that its actions did not threaten America's "essential national security interests" or that there was not an "emergency in international relations," both WTO standards. While the United States would

argue the contrary, the decision of a panel of international bureaucrats might well go against it.

Indeed, the European Union, Canada and Mexico (among others) already have argued vociferously that the national security exception may provide no defense against a challenge to economic sanctions. They did so in challenging American action against countries that do business with Cuba, Iran and Libya. The case was settled before it went before a WTO panel.

So it is reasonable to expect that the Europeans, Canadians and Mexicans might support Beijing in a complaint against a future American use of the national security exception to impose such sanctions against China.

If an international panel found against the United States, then it would have to back down, acquiesce in Chinese retaliatory trade measures, or ignore the ruling and do great damage to the authority of the WTO — all bad options. These considerations would, of course, greatly influence internal debate within a future U.S. administration and would discourage linking trade sanctions to Chinese misbehavior in the first place.

So what lever would the United States have against the Chinese if, for example, they truly menaced Taiwan? Without sanctions and other economic penalties, it might be forced to resort to more drastic approaches, including military intervention.

The Clinton administration may not see the link between China's actions in various areas, but you can be sure that the Chinese do. After all, China is neither a free market nor a democratic country.

Its leaders view economics the same way they view defense, foreign policy or human rights. It is a means of expanding the power of the state and maintaining control of its population.

Since the U.S. administration made clear its intention to separate economic from other issues, China's behavior has taken

an alarming turn for the worse, virtually across the board.

As reported by The New York Times, a classified report by the U.S. Department of Defense to Congress on security issues in the Taiwan Strait has concluded that China has

Once China is in the World Trade Organization, the United States may not be able to restrict Chinese imports in response to threats toward Taiwan, human rights violations in Tibet or religious persecution.

installed a bristling array of missiles pointed at Taiwan, with many more on the way. Backed by naval forces, it has also staked out an aggressive claim to the Paracel and Spratly Islands in the South China Sea.

These islands lie as far as 1,600 kilometers (1,000 miles) south of China. They are close to virtually every ally of the United States in Southeast Asia and would give the Chinese a powerful platform from which to intimidate those countries, as well as Japan and Korea, whose principal sea lanes run straight through the area.

China is also reported to have helped North Korea build a new three-stage rocket that could soon give that country the ability to launch nuclear missiles at Alaska, Hawaii and eventually the West Coast. Taken together, these events leave no room for reasonable doubt that the Chinese are intent on becoming the dominant power in Asia, wholly without regard for the legitimate security concerns of the United States.

Likewise, China's behavior on human rights issues has deteriorated significantly. In its recent report on human rights, the U.S. State Department forthrightly conceded as much.

The United States cannot allow itself to be put in a position where its options in reacting to such behavior are limited.

If the Chinese must be admitted to the WTO, all of the organization's relevant agreements should be amended to make it clear that any action

taken against imports from a particular country for national security reasons do not violate the WTO's obligations.

Moreover, Congress should adopt a provision stating that, if the WTO ever finds that actions taken by the United States for national security reasons are inconsistent with its obligations

the Chinese were admitted.

Until now, those countries that were viewed as potentially hostile to America were not members of the World Trade Organization, did not export anything of consequence to the United States, or both.

China is entirely different in this respect.

If the Clinton administration is unwilling to recognize this fact, Congress should insure that this White House does not deprive future presidents of the right to do so.

The writer, a trade lawyer whose clients include several U.S. steelmakers, was a deputy trade representative in Ronald Reagan's administration. He contributed this column to The New York Times.

Letters intended for publication should be addressed to "Letters to the Editor" and contain the writer's signature, name and full address. Letters should be brief and are subject to editing. We cannot be responsible for the return of unsolicited manuscripts.

IN OUR PAGES: 100, 75 AND 50 YEARS AGO

1899: Partisanship

LONDON — The "Daily Telegraph" says: "It is not too much to say that if the question of the future of the United States outside their own immediate shores is to be made the shuttlecock of Republican and Democratic 'bosses,' then the white man's burden which they have assumed will prove too heavy for their shoulders. Should political partisanship lead to a failure of American enterprise as a civilizing power, it would redound in the discredit of the genius of the Anglo-Saxon race and would obstruct the progress of the great cause of humanity."

1924: Movie Combine

NEW YORK — One of the largest combines in the history of the movie industry was completed with the merger of the Metro, the Goldwyn and the

Louis B. Mayer companies, headed by Mr. Marcus Loew, already known as a Croesus of the vaudeville world. The capital stock of the new company will be \$65,000,000. In addition to the big-feature productions, which it controls, the combine owns 350 theatres in various parts of the country.

1949: U.S. Maneuvers

FRANKFURT — Seventy thousand American occupation troops began large-scale maneuvers in northern Bavaria to test how quickly and efficiently American combat strength can be mustered to repel an attack from the East. Virtually every man in the occupation forces will be engaged in the week-long "Operation Showers" in the first full mobilization of American strength in Germany since the war. A "mythical enemy" is scheduled to move out of Czechoslovakia.

Herald Tribune

KATHARINE GRAHAM, ARTHUR OCHS SULZBERGER
Co-Chairmen of the Board

PETER C. GOLDMARK JR., Chairman and Chief Executive Officer
RICHARD WOLDRIDGE, President and Chief Operating Officer
MICHAEL GETLER, Executive Editor

- WALTER WELLS, Managing Editor • PAUL HORVITZ, Deputy Managing Editor
- KATHERINE KNORR and CHARLES MITCHELMORE, Deputy Editors
- ROBERT J. DONAHUE, Editor of the Editorial Pages
- JONATHAN GAGE, Business and Finance Editor
- SAMUEL ABT and NICK STOUT, Associate Editors
- RENÉ BONDY, Senior Vice President and Chief Financial Officer
- DIDIER BRUN, Circulation and Development Director
- STEPHEN DUNBAR-JOHNSON, Advertising Director • IAN WALTHAM, Marketing Director

International Herald Tribune, 181 Avenue Charles-de-Gaulle, 92521 Neuilly-sur-Seine, France.
Tel: (1) 41.43.93.00 Fax: Subscriptions (1) 41.43.92.10 Advertising (1) 41.43.92.12 News (1) 41.43.93.38
Internet address: <http://www.ihb.com> E-Mail: ihb@ihb.com

Editor for Asia: Michael Richardson
5 Candlerbury Rd., Singapore 11990. Tel: (65) 472-7768. Fax: (65) 274-2534
Managing Director, Asia: Nigel I. Collins
#1201, 191 Jura Road, Hong Kong. Tel: 852-2923-1188. Fax: 852-2922-1190
General Manager, Germany: Thomas Schlierer
Friedrichstr. 15, 10117 Berlin. Tel: +49 30 69971250-0 Fax: +49 30 69971250-20
Regional Director, The Americas: Michael Gruch
850 Third Ave., New York, N.Y. 10022. Tel: (212) 752-3890. Fax: (212) 755-8795
U.K. Advertising Office: 40 Marsh Wall, London E14 9TP. Tel: (171) 510-5700 Fax: (171) 987-3451
S.A.S. en capital de 1.200.000 F. RCS Nanterre B 73292126. Commission Paritaire No. 61357
©1999, International Herald Tribune. All rights reserved. ISSN 0294-3862

Consolidated prices for all shares in
during week ended Friday, April 14

Stocks	Dir Yld	100s High	Low	Cls	Chg
--------	---------	-----------	-----	-----	-----

[illegible][illegible]

Comcast	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
---------	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----	-----

[illegible]

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
1	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100
1	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41	42	43	44	45	46	47	48	49	50	51	52	53	54	55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	70	71	72	73	74	75	76	77	78	79	80	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	100

[illegible][illegible]

CURRENT

هكذا من الله تعالى

Cancelled by Our Staff From Disposal

"The ball is now maybe more clearly than before in the politicians' court," he said Saturday. - (Reuters, Bloomberg)



As a candidate in the presidential election in December, Mr. Chavez, a 44-year-old former army paratrooper who in 1992 led an unsuccessful coup attempt, made the state oil giant one of the principal targets of his campaign against what he called a complacent and bloated status quo. He labeled the company an uncontrollable "state within the state," criticized its extravagant "gold-card

Mr. Chavez's critics here and abroad are suspicious of his plans, arguing that the oil company functions far more efficiently than the rest of the government and needs only some minor tinkering, not a major overhaul. But both sides agree that the very size and complexity

previous government opened up the industry. But many exploration contracts were signed by foreign companies before oil prices slumped and apply to areas where costs are high and results have been disappointing. Still, as Luis

See OIL, Page 13

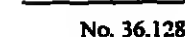
By Mitchell Martin
International Herald Tribune

measures air flow through the engine — does not have a direct bearing on noise output, Mr. Aaron said, planes as noisy as

See TRADE Page 13

Bloomberg News

Last year, only Daewoo and the largest conglomerate, Hyundai Group, out of Korea's five biggest chaebol, reneged on their promises to cut debt.



ians

ste initial explanation contrasted with earlier this month on a column of along a road near says then for the planes had indeed ntaind only milk mistake publicly. d so quickly that ler, Javier Solana ay afternoon, he ident, and said

P 10

CYBERSCAPE

Tire-Kicking Enters the Internet Age

By David Ignatius
Washington Post Staff Writer

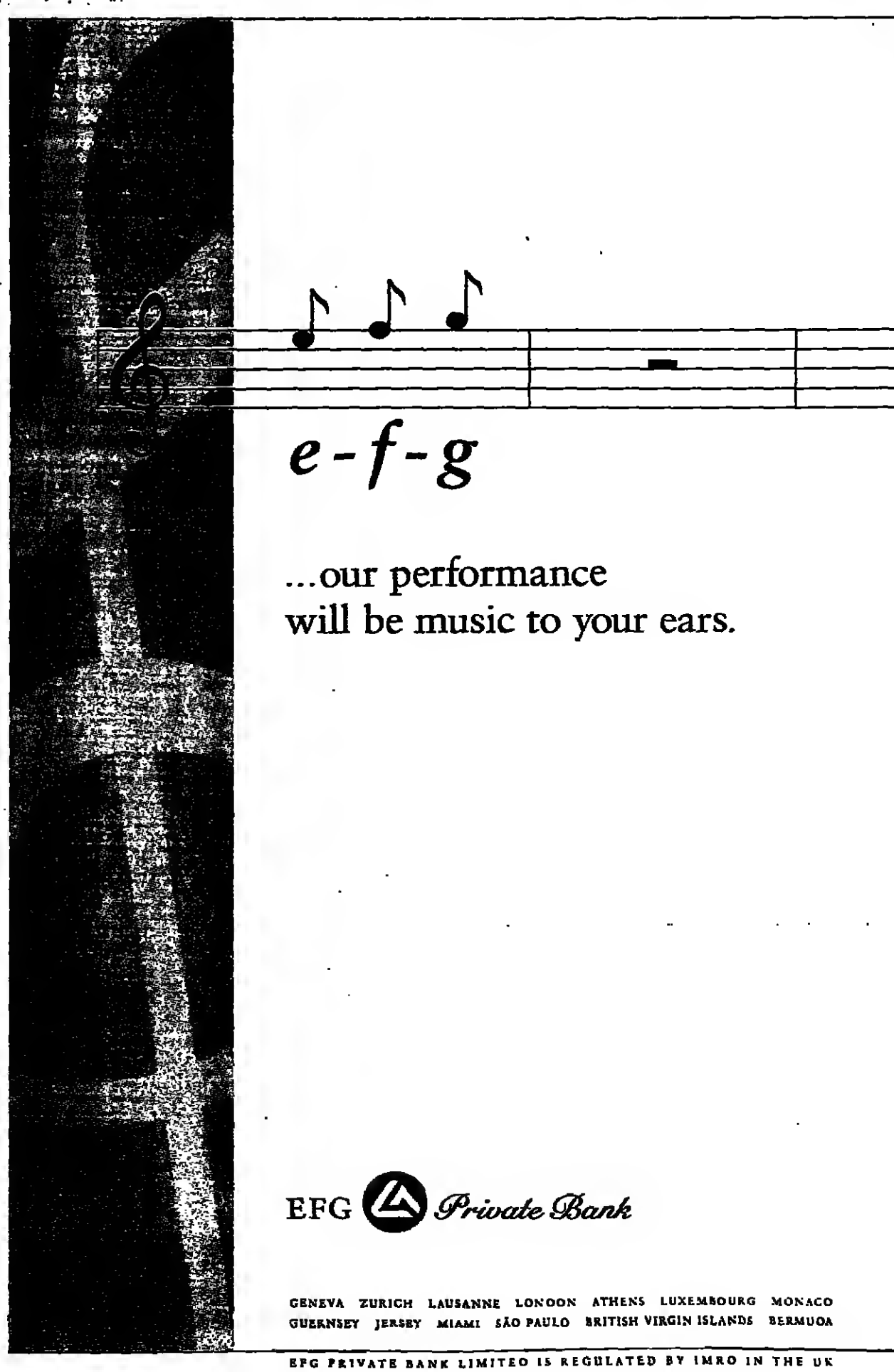
Take Jerry Reynolds, who owns Prestige Ford in Garland, Texas—the biggest seller of Ford pickups in the world. He is already using the Internet aggressively: He has a four-person In-

Internet address:
CyberScape@iht.com

Recent technology articles:
www.iht.com/IHT/TECH

CURRENCY RATES

April 16										April 16									
Cross Rates										Other Dollar Values									
	\$	£	SF	Yen	C\$	Dms	Greek	Sdr		Currency	Pers	Currency	Pers	Currency	Pers	Currency	Pers	Currency	Pers
London (£)	1.6142		3.4166	190.645	2.4005	11.2097	489.377	13.4189		Argentine peso	0.0998	Hong. forint	23.436	M. Zealand kr.	1.8262	Ster. pound	0.7936	1.1917	
New York (¥)		1.6141	492.2	117.80		4.79	6.9645	303.185	8.723	American \$	1.2523	Indon. rupiah	42.729	Mex. peso	3.26	S. Afric. rand	4.75	4.170	
Tokyo	118.95	191.25	79.31		79.34	1.71	1.47	1.47		Australian \$	0.6905	Philipp. peso	48.68	Peru. sol	3.31	Swiss franc	1.48	1.48	
Zurich	1.479	2.5257		1.2539		1.00	0.32	0.0853	0.1321	Belgian franc	40.835	Singap. dollar	4.052	Spain pes.	33.12	Thai baht	37.45	37.45	
										Calcutta yen	9.70	Taiwan dollar	0.365	Thailand baht	2.10	US dollar	1.00	1.00	
										Chongkong \$	0.97	US dollar	1.00	US dollar	1.00	US dollar	1.00	1.00	
										Colombian peso	2.145	Malay, ringg.	3.80	US dollar	1.00	US dollar	1.00	1.00	
										Czech koruna	2.036	Malay, ringg.	3.80	US dollar	1.00	US dollar	1.00	1.00	
										Denmark kr.	6.46	Malay, ringg.	3.80	US dollar	1.00	US dollar	1.00	1.00	
										Dracma	333.33	Malay, ringg.	3.80	US dollar	1.00	US dollar	1.00	1.00	
										Euro	1.00	Malay, ringg.	3.80	US dollar	1.00	US dollar	1.00	1.00	
										French franc	6.55	Malay, ringg.	3.80	US dollar	1.00	US dollar	1.00	1.00	
										German mark	1.00	Malay, ringg.	3.80	US dollar	1.00	US dollar	1.00	1.00	
										Indian Rupee	47.54	Malay, ringg.	3.80	US dollar	1.00	US dollar	1.00	1.00	
										Italian Lira	2.036	Malay, ringg.	3.80	US dollar	1.00	US dollar	1.00	1.00	
										Japanese Yen	100.00	Malay, ringg.	3.80	US dollar	1.00	US dollar	1.00	1.00	
										Korean Won	200.00	Malay, ringg.	3.80	US dollar	1.00	US dollar	1.00	1.00	
										Malay Ringgit	1.00	Malay, ringg.	3.80	US dollar	1.00	US dollar	1.00	1.00	
										Mexican Peso	20.36	Malay, ringg.	3.80	US dollar	1.00	US dollar	1.00	1.00	
										Netherlands Gld	10.36	Malay, ringg.	3.80	US dollar	1.00	US dollar	1.00	1.00	
										Philippine Peso	48.68	Malay, ringg.	3.80	US dollar	1.00	US dollar	1.00	1.00	
										Portuguese Escudo	200.48	Malay, ringg.	3.80	US dollar	1.00	US dollar	1.00	1.00	
										Romanian Lei	16.66	Malay, ringg.	3.80	US dollar	1.00	US dollar	1.00	1.00	
										Saudi Riyal	2.036	Malay, ringg.	3.80	US dollar	1.00	US dollar	1.00	1.00	
										Singapore Dollar	1.00	Malay, ringg.	3.80	US dollar	1.00	US dollar	1.00	1.00	
										South African Rand	4.75	Malay, ringg.	3.80	US dollar	1.00	US dollar	1.00	1.00	
										Swiss Franc	1.48	Malay, ringg.	3.80	US dollar	1.00	US dollar	1.00	1.00	



DS

olis of fabric.
Two Albanian
order, a spurt in
ple in the past
ers say, about
h. More than
ot cities, and
utstripped the

'ed

agency said Mr. [redacted] of his "public the government : of the federal

bian leadership
feat NATO and

condition of an-
ible fracture" in
shows the price

10

DA

Stance Libya

on has eased
to allow food
e sold to Iran,
officials said

is a softening
countries the
g viewed as
1 and export-
2 10

.S. Beef
n said Wed-
an U.S. beef
unless Wash-
meat had no
nes. Page 11.

..... Page 7.
 Page 5.
 ... Pages 6-7.
 Pages 18-19.
 night.com

EFG *Private Bank*

GENEVA ZURICH LAUSANNE LONDON ATHENS LUXEMBOURG MONACO
GUERNSEY JERSEY MIAMI SAO PAULO BRITISH VIRGIN ISLANDS BERMUDA

BFG PRIVATE BANK LIMITED IS REGULATED BY IMRO IN THE UK

CAPITAL MARKETS ON MONDAY

Step-by-Step Investing

An Expensive Strategy to Try to Hedge Risks

By Mark Hulbert
New York Times Service

NEW YORK — Few investment-performance guarantees are worth the paper they are printed on. But there is an exception: the guarantee that comes with the strategy called dollar cost averaging. People who use this approach know that in at least one respect, they will always do better than average.

With dollar cost averaging you invest gradually, in equal amounts at regular intervals. There is no single formula; you can choose the number of installments you want.

Many people use dollar cost averaging out of necessity. They may have only \$100 a month to invest, for example, so they sign up with a mutual fund to have that amount drawn directly from their checking accounts every 30 days.

But some people use dollar cost averaging when they already have a big chunk of money in hand.

Say you have \$30,000 and want to invest it in IBM stock in three \$10,000 installments over the next year: today, six months from now and 12 months from now. Let's further assume that six months from now, IBM is trading at \$20.625 a share, up from its close Fri-

day of \$17.375, and at \$27.625 a year from now. The average of those three prices is \$22.542 a share. Yet your average purchase price will be \$21.935, or \$7.61 less.

Those numbers might look like strange alchemy, but they're not. That is because dollar cost averaging lets you buy more shares when IBM is trading at \$17.625 and fewer shares when it is at \$27.625. The same goes for all variations on the strategy: Your average purchase price will always be lower than the stock's average price.

It sounds wonderful, but it does not mean you should use dollar cost averaging for all your investments. The guarantee of below-average prices notwithstanding, you often can do better by investing in a lump sum.

Under what circumstances should you invest in one leap, instead of intervals? Of course, the answer can be known only in hindsight; it depends on whether the value of the asset rises or falls over the period in question. If it rises, you will be better off buying in a lump sum at the outset.

Again using the IBM example, let's say that instead of averaging, you make your entire investment today; the average purchase price will be \$17.625—far better than the \$21.934 average above. The only scenario in which dollar cost averaging comes out ahead of lump-sum investing is when the asset declines in value over the investment period.

At its core, dollar cost averaging is

A Losing Strategy?

Dollar cost averaging is not the best way to reduce risk when investing a lump sum. A new study has found that investors can pick up some extra return, and reduce risk just as much, with a simpler strategy: If six weeks or less just after half of his intended investment immediately and waits 12 months to invest the balance, the results beat dollar cost averaging.

Assumptions: 12.5 percent annual return and average historical volatility for S&P 500 and 5 percent annual return for cash.

By allocating this portion of the total amount you plan to invest in the S&P 500 at the start...

100%	12.5%	100
56	9.2	
0	5.0	0
	6.7	56

Source: "A Comparison of the Performance of the Investment of Dollar Cost Averaging," by Mark Hulbert and Steven E. Pomeroy.

little more than a bearish market-timing judgment, an implicit bet on a decline. That is not necessarily a criticism. There is nothing wrong with being a market timer per se, or with being bearish. But if you think that an asset is going to decline, why buy any of it now? Why not wait?

I concede that I am not being entirely fair in my analysis. We do not know in advance how an investment will perform in the short-term. Many people probably use dollar cost averaging simply because of that uncertainty—and want to reduce risk.

It is true that the strategy reduces risk over the period in which you invest. Yet even as a risk reducer, dollar cost averaging in any form comes up wanting,

according to a recent study by Moshe Arye Milevsky, a professor of finance at York University in Toronto, and Steven Posner, vice president in charge of quantitative modeling at Marsh & McLennan Securities.

In all likelihood, they found, you will make more money, with no more risk, by simply investing about one-half of a lump sum right away and placing the rest in cash until the end of the period over which you would otherwise be dollar cost averaging.

In other words, dollar cost averaging is an expensive way to reduce risk. If that's your goal, don't wait. Take half of what you plan to invest and buy the asset today.

EU to Study Exempting Eurobonds From Withholding Tax

Bloomberg News

DRESDEN — European Union finance ministers have agreed to study ways of exempting Eurobonds from a proposed withholding tax, hoping to overcome Britain's fears that the tax would damage London's financial markets.

The EU will examine whether shield-

ing the \$3.3 trillion international bond market from the tax is a "feasible solution," Finance Minister Hans Eichel of Germany said Saturday. "That is the condition for British approval."

Britain had threatened to veto the 20 percent tax on interest income, claiming it could drive investment away from the EU, cramp the London-based Eurobond

market and put 110,000 jobs in the British financial industry at risk.

The tax is meant to cement a common capital market to go along with the single currency, the euro, adopted by 11 EU countries in January, but it comes at an awkward time for a British government trying to persuade its citizens to eventually move to the euro.

Luxembourg, the smallest state in the Union and home to a large offshore investment industry, has said it will only endorse the tax if the bloc persuades neighboring countries such as Switzerland to adopt similar measures.

The tax would be levied on interest income in one EU state paid to residents of another EU state. It would not apply to domestic savers, people living outside the 15-nation bloc or institutional investors such as pension funds.

The chancellor of the Exchequer, Gordon Brown, will report on possible ways of exempting Eurobonds at the ministers' meeting on May 25, Mr. Eichel said.

Mr. Brown said there was a chance of a compromise on the tax by June.

Inflation Figures No Longer Set Off the Alarms

Compiled by Our Staff From Deutsche

NEW YORK — The U.S. bond market will need more than another set of soft inflation numbers to push Treasury bond prices higher and yields lower, economists say.

The benchmark 30-year bond finished Friday at a yield of 5.57 percent, up from 5.46 percent the previous week. The price ended at 95.10/32, down from 96.29/32 the previous Friday.

Bond prices slid as the government said Friday that new homes were being built at a faster rate than expected. A rise in home construction could mean the economy is heating up, which could prompt the Federal Reserve Board to raise interest rates to slow the growth.

But economists and traders said the market was becoming inured to infla-

tion data as the U.S. economy showed a surprising resilience to traditional indicators.

"Good inflation numbers are no longer good enough to make us go through a 5.40 percent yield," Michael

U.S. CREDIT MARKETS

Andrews, an economist at WestLB, told clients last week. Like many economists, he admitted to some confusion over low U.S. inflation at a time of strong growth and tight labor markets. Inflation is expected to run at an annualized rate of 1.9 percent in 1999.

While offering a fairly positive outlook for the U.S. economy, he said unforeseeable factors, such as a stock market decline, might slow growth.

Meanwhile, Conoco Inc. and other commodity producers are finding it easier to sell bonds as the U.S. economy hums along and prices of oil and other raw materials recover from a years-long slump.

Conoco had in vectors lining up for a \$4 billion bond issue, \$1 billion more than originally planned — thanks in part to a 43 percent increase in crude oil prices since the start of the year.

In the first quarter of 1999, sales of new debt and preferred stock by oil companies including Phillips Petroleum Co. and Occidental Petroleum Corp. totaled about \$10 billion, or about half of last year's total debt sales by the industry, according to research by Salomon Smith Barney.

(Reuters, AP, Bloomberg)

Most Active International Bonds

The 250 most active international bonds traded through the Euroclear system for the week ending April 16. Prices supplied by Telekurs.

Risk Name Cpi Maturity Price Crt Yld

Australian Dollar

98 Austrologovm 6M 11/5/06 109.5400 6.1600

British Pound

77 Annington 0 01/10/23 23.5100 6.2800

88 Thorne Fin 0 03/20/25 6.5234 11.0700

97 Annington 0 01/25/23 26.4410 6.2900

123 Fannie MacWB 6M 06/07/02 104.1100 6.5900

195 RFI Fin 1 03/21/28 124.9029 6.3900

234 Berlin 0 01/20/03 107.5300 6.0400

Danish Krone

20 Denmark 6 11/15/99 115.20 5.2100

30 Denmark 9 11/15/99 108.8400 8.2700

31 Denmark 9 12/15/99 116.6100 8.2700

37 Denmark 6 03/15/06 124.2800 6.4400

38 Denmark 6 05/15/03 117 6.4400

45 Denmark 6 11/15/07 120.3500 5.8800

50 Denmark 6 11/15/01 111.7200 6.1600

52 Denmark 4 09/15/01 101.5300 3.9400

83 Denmark 6 11/15/02 108.5500 5.5200

93 Denmark 6 11/15/02 98.2900 2.8600

100 Denmark 5 09/15/05 106.5300 4.5900

105 Denmark 6 12/15/99 101.7000 5.9500

111 Nykredit 6 10/15/99 98.2300 6.1100

116 Nykredit 6 10/15/99 99.1000 6.0000

119 Denmark 7 11/15/02 127.1900 5.5000

129 Unibank 6 10/15/99 99.0900 6.0000

197 Denmark 6 06/02/99 99.0900 6.0000

241 Danske Kr 6 10/15/99 99.2800 6.0400

Deutsche Mark

157 Credit France 7M 02/24/03 112.70 6.4200

248 World Bank 6M 09/27/02 109.2000 5.0000

Euro

1 Germany 5M 01/04/08 108.8083 4.8300

2 Germany 4 01/04/09 108.1890 3.8200

3 Germany 4 01/04/09 101.5433 3.9400

4 Germany 4 07/04/08 101.6641 4.0500

5 Germany 4 07/04/08 107.2619 4.2000

6 Germany 4 07/04/07 115.2700 5.2600

7 Germany 3 02/04/01 100.3025 2.9900

8 Germany 7M 12/20/02 114.4501 6.1200

9 Germany 3M 01/04/07 115.0200 5.2200

10 Germany 3M 08/24/02 102.6975 4.7500

11 Germany 4M 07/04/02 115.2117 5.1900

Japanese Yen

151 Spain 3M 03/23/02 115M 4.9900

152 Spain 3M 03/23/02 115M 4.9900

219 Fannie Mae 1M 03/26/08 102.9200 1.7000

Polish Zloty

221 World Bank 0 03/23/02 1.4100 15.8400

Swedish Krona

133 Sweden 6M 05/05/00 117.9500 5.7100

137 Sweden 5 01/28/99 105.9200 4.7200

143 Sweden 9 04/28/99 108.5500 5.9000

200 Sweden 1M 01/15/00 106.4500 4.7200

211 Sweden 10/26 10M 05/05/00 107.2100 5.3500

U.S. Dollar

10 Brazil Cap S.L. 5 04/15/14 82.5450 4.0500

21 Brazil FRN 0 04/15/06 74.9131 0.0000

26 Argentina 0 04/15/06 74.9131 0.0000

55 Brazil FRN 0 04/15/06 74.9131 0.0000

60 Brazil S.L. FRN 0 04/15/06 74.9131 0.0000

61 Mexico 11M 05/15/26 120.0000 5.9800

64 Venezuela FRN 5M 12/18/07 70.5650 8.4100

65 Brazil S.L. FRN 0 04/15/06 74.9131 0.0000

82 Mexico par L 5M 03/12/23 70.5650 8.4100

93 Argentina par L 5M 03/12/23 70.5650 8.4100

103 Argentina 5M 09/19/27 89.5000 10.8900

104 Argentina 11M 04/07/09 101.6600 11.5400

114 Venezuela 5M 09/15/27 63.9900 14.4400

115 Bulgaria 9M 01/17/07 105.5000 9.4200

122 Brazil S.L. FRN 0 04/15/06 74.9131 0.0000

123 Brazil S.L. FRN 0 04/15/06 74.9131 0.0000

124 Argentina 3M 07/28/11 68.5000 8.8900

131 Ford Motor 3M 02/13/03 99.6800 5.1400

132 Argentina 3M 12/21/17 112.1200 9.1800

133 J.L.S. FRN 5M 02/23/00 99.2400 5.7200

135 Brazil 10M 05/15/27 80.0000 12.6400

136 Brazil par ZI 5M 02/23/04 64.8600 5.1400

141 Abitibi 5M 12/21/04 94.9400 5.1400

142 Brazil Cap S.L. 5 04/15/14 82.5450 4.0500

153 Russia 5M 04/15/06 74.9131 0.0000

152 Deutsche Bk FRN 5M 04/15/06 74.9131 0.0000

153 Mexico C.F.RN 6M 09/25/28/19 82.4899 7.3800

163 Mexico C.F.RN 6M 09/25/28/19 82.4899 7.3800

165 Credit Local 5M 01/21/09 94.5000 5.7000

168 AOB 6M 02/20/08/12/27 112.0200 5.5500

169 Brazil S.L. FRN 0 04/15/06 74.9131 0.0000

171 Mexico 10M 02/17/09 106.6500 9.7300

Japanese Yen

151 Spain 3M 03/23/02 115M 4.9900

152 Spain 3M 03/23/02 115M 4.9900

219 Fannie Mae 1M 03/26/08 102.9200 1.7000

Polish Zloty

221 World Bank 0 03/23/02 1.4100 15.8400

Swedish Krona

133 Sweden 6M 05/05/00 117.9500 5.7100

137 Sweden 5 01/28/99 105.9200 4.7200

143 Sweden 9 04/28/99 108.5500 5.9000

200 Sweden 1M 01/15/00 106.4500 4.7200

211 Sweden 10/26 10M 05/05/00 107.2100 5.3500

U.S. Dollar

10 Brazil Cap S.L. 5 04/15/14 82.5450 4.0500

21 Brazil FRN 0 04/15/06 74.9131 0.0000

26 Argentina 0 04/15/06 74.9131 0.0000

55 Brazil FRN 0 04/15/06 74.9131 0.0000

60 Brazil S.L. FRN 0 04/15/06 74.9131 0.0000

61 Mexico 11M 05/15/26 120.0000 5.9800

64 Venezuela FRN 5M 12/18/07 70.5650 8.4100

65 Brazil S.L. FRN 0 04/15/06 74.9131 0.0000

82 Mexico par L 5M 03/12/23 70.5650 8.4100

93 Argentina par L 5M 03/12/23 70.5650 8.4100

103 Argentina 5M 09/19/27 89.5000 10.8900

104 Argentina 11M 04/07/09 101.6600 11.5400

114 Venezuela 5M 09/15/27 63.9900 14.4400

115 Bulgaria 9M 01/17/07 105.5000 9.4200

122 Brazil S.L. FRN 0 04/15/06 74.9131 0.0000

123 Brazil S.L. FRN 0 04/15/06 74.9131 0.0000

124 Argentina 3M 07/28/11 68.5000 8.8900

131 Ford Motor 3M 02/13/03 99.6800 5.1400

132 Argentina 3M 12/21/17 112.1200 9.1800

133 J.L.S. FRN 5M 02/23/00 99.2400 5.7200

135 Brazil 10M 05/15/27 80.0000 12.6400

136 Brazil par ZI 5M 02/23/04 64.8600 5.1400

141 Abitibi 5M 12/21/04 94.9400 5.1400

142 Brazil Cap S.L. 5 04/15/14 82.5450 4.0500

Why, for Owner, Is Blush Off Revlon?

Perelman Blames the Market, but Debt May Play a Big Part

By Dana Canedy
New York Times Service

NEW YORK — The cover of Revlon Inc.'s latest annual report could easily be mistaken for the front of a glamour magazine, with the model Cindy Crawford and the actress Cybill Shepherd looking flawless in the company's "tawny" blush and "hot cocoa" lipstick.

But the image of Revlon's majority owner, the billionaire Ronald Perelman, is anything but unblemished. A 1980s-style dealmaker with a passion for the high life, he is known for buying out of ventures in the nick of time. There have been fiascos — for public shareholders, at least — at Marvel Entertainment Group Inc., Coleman Co., Consolidated Cigar Holdings Inc. and Sunbeam Corp., all of which lost money and accumulated debt on his watch.

Revlon, though, has been the crown jewel of his portfolio: glamorous, with strong cash flow, a business that held its interest and bore his fingerprints. Only weeks ago, it seemed inconceivable that he would consider selling this, his core asset. But now he has declared himself ready to unload it.

After remaining silent for weeks amid speculation that it was about to be sold, Revlon announced this month that it had hired Goldman, Sachs & Co. and Lazard Freres & Co. to explore its options. Two companies mentioned as likely buyers are Unilever, the British-Dutch consumer-products giant, and L'Oréal SA of France, whose chief executive said last week that it was seeking acquisitions.

What changed? Analysts, fund managers and industry experts say Mr. Perelman has taken up Revlon's huge debts, gauged its slipping competitive stance and concluded that the picture is unlikely to brighten soon. Winning a decent price for all or part of Revlon, they say, is his best route to salvaging at least part of his reputation as something more than a corporate raider.

Saving face "is his biggest problem," said Andrew Shore, an analyst at Paine Webber. "Everybody wants to see how he handles it. He's got a lot on the line."

One of Mr. Perelman's closest confidants dismisses this reading, saying the financier is simply frustrated by what he considers investor overreaction to the company's recent poor performance.

"We don't believe Revlon is too highly leveraged, but the investing public thinks so," said Howard Gittis, vice chairman and chief operating officer of Mr. Perelman's holding company, MacAndrews & Forbes Holdings Inc. "That's why we are considering selling. You can't keep fighting the marketplace."

For most of the time since Mr. Perelman purchased it in a leveraged buyout in 1985, Revlon — whose brands include the Almay, Ultima II and Revlon lines of blush, lipstick and eye shadow — seemed to be the exception to his investment pattern. Revlon dominated the cosmetics and toiletry aisles in drug stores and discount chains, and until the second half of last year it was posting respectable financial results.

But then came the unexpected: disappointments in earnings and a decline to

sales. Profit from continuing operations tumbled 83 percent in the third quarter and continued to fall in the fourth, to \$6.5 million from \$36.6 million in the corresponding quarter a year earlier.

Revlon blamed its reversal of fortune on weakened consumer buying power abroad and on inventory cutbacks in U.S. drugstores; it expects the latter to continue into the second half of this year. At the same time, management faces formidable new competition, even as Revlon says under so much debt that analysts say there is too little cash left for a makeover.

The interest on Revlon's \$1.7 billion in debt exceeded its operating income last year. By contrast, interest payments took up just 9 percent of operating income at Procter & Gamble Co., which is quickly emerging as a key Revlon competitor, and 6 percent at Avon Products Inc.

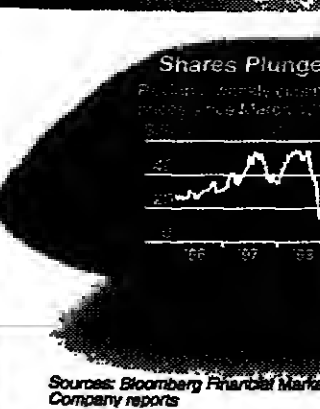
"A company with less debt is by definition somewhat more flexible in their ability to spend," said Heather Hay, an analyst at Merrill Lynch. "The industry in general is one that tends to need a lot of resources to really be able to fund the business and grow."

Three months ago, after Revlon took a \$50 million charge against earnings for restructuring, the company had to ask lenders to ease some terms of its credit agreements. But George Fellows, Revlon's chief executive, said too much had been made of the balance-sheet issues.

"Other people may be concerned that our level of debt may seem to impair our ability to perform, but I can absolutely assure you that it doesn't," he said.

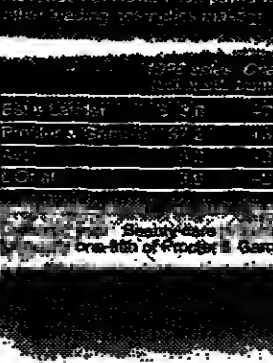
Revlon, he added, remains a leader in

Signs of Fatigue



Sources: Bloomberg Financial Markets; Company reports

AS Revlon's Sales Lag



And Debt Mounts



research and development. He pointed to the Colorstay line of long-lasting makeup and the success of its "age-defying" skin products, and he predicted another hit in a line of lipstick using new technology, due out to June. "Over the last five years, we have represented approximately 50 percent of the growth in the color cosmetics category in the mass market," he said. "I will be perfectly happy to let the results of this company through this year, once we get by this difficult period, speak for themselves."

But even if Revlon's immediate problems were not enough to prompt Mr. Perelman to consider bailing out, another largely overlooked factor is probably adding to the urgency: Unless he finds a quick fix or moves on, he could lose half his shares in the company.

In 1998, Mr. Perelman issued zero-coupon bonds through Revlon Worldwide, the cosmetics company's privately held parent, that came due on March 15, 2001 — bonds that are secured by 20

million of his shares. When the bonds mature, holders will be owed \$770 million. So, analysts say, Mr. Perelman faces a choice: If he wants to roll over the bonds, he must begin to clean up Revlon to attract new investors. If he wants to pay off the bonds, he must raise money to come up with the cash — by selling all or part of Revlon or some other holding.

Mr. Gittis said raising cash to pay off the bonds did not figure in the company's desire to sell the business. "We've had zeros out against Revlon stock since the early '90s," he said, referring to the bonds. "That has never been a problem for us." Even so, Revlon acknowledges that the market does not hold the company in high regard these days. Any move to refinance the zero-coupon issue could get a chilly reception, said Terrence Dwyer, a fixed-income analyst with KDP Investment Advisors.

"No investor is going to touch it, whether it's a public or private deal," he said, "unless they are certain that the cash

flow will be there." In the meantime, rivals with deeper pockets are squeezing shelf space in the drugstores and discount chains where Revlon competes.

Burdened by its heavy debts, analysts say, Revlon has not made the kinds of investments that have enabled other large cosmetics concerns to prosper.

But Mr. Gittis dismissed as "quite off the mark" any criticism that Revlon's management might not be adequately committed to investing in the business.

Revlon stock rose more than 60 percent in two days on anticipation that the company might be put up for sale and an additional 18 percent when it confirmed the rumors. But the shares' closing price of \$25.25 Friday was still 55 percent below a year ago. Analysts say Revlon's name alone would command a premium in a sale. But the company's highly publicized problems, they add, are sure to hurt in negotiations.

Mr. Gittis said. "If Ronald doesn't get a premium price, he won't sell it."

TELECOM: German and Italian Finance Chiefs Endorse Merger

Continued from Page 1

among Italian politicians since the possibility of a merger first became public.

Mr. Visco said that while things were still at an early stage, any problems connected to the German government's stake in Deutsche Telekom probably could be overcome. "The question is that ownership does not interfere in management," he said. "This can be achieved to various ways."

Over the weekend, Italy's communications minister, Salvatore Cardinale, echoed the view that the German government's holding to Deutsche Telekom

should not be allowed to become an obstacle to an alliance with Telecom Italia.

Mr. Cardinale also said the government had no intention of using its so-called golden share to block a possible merger. The Italian government owns 3.4 percent of Telecom Italia and has the power to block a takeover by a foreign company.

"We can use the golden share only for the good of the country, certainly not against the Germans," he said. "It would be like refusing a place to Europe."

Olivetti, meanwhile, said Saturday that it had signed a 22.5 billion euro

(\$24.1 billion) syndicated loan to help finance its \$65 billion takeover.

Bloomberg News, quoting people familiar with Telecom Italia, reported that Deutsche Telekom was considering paying as much as 100 billion euros for the Italian company, exceeding Olivetti's hostile offer.

The offer by Deutsche Telekom may include Telecom Italia's nonvoting savings shares and all of its cellular unit.

This would be the second time European governments have arranged a merger of phone companies, following an agreement between Sweden and Norway this year.

TRADE: Senate Warns EU of Retaliation in Aircraft Dispute

Continued from Page 11

That date was pushed back to April 29 to allow for further negotiations, but Mr. McCain's letter to Mr. Clinton said, "Unfortunately, I am told that the EU may still adopt and implement the rule unchanged at the end of this month."

Mr. Aaron was in New York to speak at a Columbia University Law School conference on trans-Atlantic regulation. Also on the program was Sir Leon Brittan, the EU trade commissioner.

In separate interviews, they said a dispute over consumer data privacy was moving toward resolution and that they were making some progress on beef imports. The United States has threatened to impose \$900 million of sanctions on European imports by July.

The Europeans have banned imports of U.S. beef raised with the addition of hormones, refusing to abide by the World Trade Organization's rulings that there is no scientific justification for the restriction.

Sir Leon said the European Union was "conducting new tests" but said these were "unlikely" to be completed by the cutoff date of May 13.

He suggested that rather than accept the imports, "one possibility is for the U.S. to be given compensation for its loss of trade to the time of any loss that it has suffered."

He said the compensation could be paid to the beef industry or to unspecified other concerns.

Mr. Aaron said that would not be "of much comfort" to

the beef processors affected, which include such companies as IBP Inc., the world's largest packer of fresh beef, and the meat-packing units of Cargill Inc. and ConAgra Inc. They claim to be losing about \$500 million a year because of the ban.

He was more optimistic about Sir Leon's alternative suggestion, which was that hormone-treated beef be labeled as such in the European Union, giving consumers the option of not buying it.

"It started out as a protectionist issue, then it became a safety issue," he said, adding that labeling would "let the Europeans decide" if they did not want to consume hormone-treated products.

On the issue of consumer data privacy, Mr. Aaron and Sir Leon said the European Union was likely to accept "safe-harbor principles," which are privacy guidelines for American companies operating in Europe.

Mr. Aaron added, however, that these rules were not "a template" for how American companies should treat U.S. residents, who are more accustomed to having credit, voting, race, employment and other information about themselves transferred among companies.

Some U.S. companies, including American Online Inc. and Walt Disney Co., have questioned the Commerce Department guidelines, saying they would not support them without knowing further details.

Mr. Aaron added that the Commerce Department thought that the United States

needed stronger privacy-protection rules but that the EU approach, which allowed for more direct government oversight, was actually a threat to privacy.

He said one reason was a differences to cultures. Americans are afraid of government intrusion, he said, while "Europeans are concerned with junk mail."

One area where the EU and United States were in accord was the issue of China's entry into the WTO. Sir Leon said, "There is nothing that the United States has raised that isn't also a concern to us."

He added, however, that some areas were more important on one side of the Atlantic than on the other.

President Bill Clinton last week seemingly reversed America's course on accept-

Duma's Question: What Happened To Bank's Profits?

By David Hoffman
Washington Post Service

MOSCOW — The lower house of Parliament has called for a criminal investigation into how Russia's Central Bank invested billions of dollars in foreign currency reserves in recent years through an obscure offshore firm.

In a resolution, the State Duma asked Friday for an investigation into whether current and former Central Bank officials sent foreign-currency reserves abroad that earned large profits that were not returned to Russia.

The resolution follows reports that billions of dollars were transferred to an offshore company between 1993 and 1996 and that interest on the money earned from investments seems to have disappeared.

The Washington Post reported March 8 that internal documents from the bank showed that the money had been sent into a secret offshore network and that some of the money was clandestinely channeled back into Russia's lucrative short-term Treasury bond market.

Nikolai Gonchar, a member of the Duma's budget committee, said the Central Bank sent \$855 million through this backdoor channel into the Treasury bond market in 1996, when annualized yields were more than 120 percent. But, he said, the Central Bank reported receiving returns of only 5 percent.

OIL: Venezuela Seeks to Tame Company

Continued from Page 11

Ednardo Paul, president of the Venezuelan Oil Chamber, a local industry trade group, noted, "The issue is not just one of prices, but of success in drilling."

One positive development came in March when a consortium that includes Conoco Inc. announced a significant find in the Gulf of Paria.

Now that prices are beginning to recover, it is unclear how soon the companies will be able to recoup their investments.

"The combination of contractual terms and marginality of the fields means that nine out of 10 of the ventures are unprofitable or are about to be," Bernard Wheelahan, president of Shell de Venezuela, a unit of Royal Dutch/Shell, recently told The Caracas Daily Journal, an English-language paper here.

Mr. Wheelahan, who did not respond to requests for additional comment, also said foreign oil companies here are in an "unsustainable" situation and suggested a renegotiation of contracts might be in order.

"We and every other oil company made those decisions with our eyes wide open," Rob McKee, executive vice president for exploration and production at Conoco, said when asked about the possibility of renegotiating the contracts.

"They are tough terms, and PDVSA has always told us, and continues to tell us, that if those circumstances develop, come talk to them," he said. "My judgment in hindsight is that this is something that needs to be talked about, and over time you can expect Conoco will visit with the Venezuelans about fine-tuning the terms, as opposed to overturning them."

But for the moment, the government

has not only scrapped plans to increase production to 6.5 million barrels a day by the middle of the next decade, it has also ordered cutbacks of more than 600,000 barrels a day as part of OPEC's effort to raise oil prices.

Cutting production has enabled the Chavez government to emerge as an important figure in OPEC's latest effort to raise prices. Within the oil group, Venezuela always had a reputation as a quota-buster, but Mr. Rodriguez has pledged that despite the country's yawning budget deficit, the production cuts by the state oil company over the past several months will remain in place, supporting OPEC's latest effort to lift prices.

Mr. Chavez has also made waves by criticizing the performance of the state oil company's extensive American and European refining networks, particularly its wholly owned Citgo subsidiary, saying they do not contribute enough to state coffers.

That has led to speculation that the Venezuelan government, hungry for cash to finance the ambitious social programs Mr. Chavez has promised, might sell all or part of the Citgo unit, whose acquisition was completed in 1989 for \$1 billion.

With Venezuela mired in its worst credit and budget crunch in decades, others here have even suggested that Mr. Chavez sell off the state oil company, formed when the government nationalized foreign oil holdings 23 years ago.

An independent assessment conducted in 1997 put the company's value at more than \$80 billion, but disposing of its assets appears to run counter to the president's nationalist instincts.

"PDVSA is not privatizable, and we're not going to talk about that," Mr. Chavez said in a recent speech.

ASIAN CAPITAL HOLDINGS FUND
21, Boulevard Emmental Servis, L-2555 Luxembourg
R.C. Luxembourg B-43100

NOTICE TO THE SHAREHOLDERS OF ASIAN CAPITAL HOLDINGS FUND

Notice is hereby given that an Annual General Meeting of the shareholders of ASIAN CAPITAL HOLDINGS FUND will be held at the registered office of the Company on 28 April 1999 at 3.30 p.m.

AGENDA

- Approval of the report of the Board of Directors and the report of the Auditor.
- Approval of the financial statements for the year ending on 31 December 1998.
- Allocation of the net result.
- Re-election of the outgoing Directors and the Auditor from their duties for the year ending on 31 December 1999.
- Appointment of the Directors and the Auditor of the Fund.
- Re-election of the Directors.
- Re-election of the Auditor.
- Any other business.

Resolutions of the shareholders will be passed by a simple majority of the votes present and each share is entitled to one vote.

A shareholder may act at any meeting by proxy.

On behalf of the Company,
BANQUE DE GESTION EDMOND DE ROTHSCHILD
LUXEMBOURG
Société Anonyme
20, Boulevard Emmental Servis
L-2555 LUXEMBOURG

DO YOU LIVE IN THE UK?

• Subscribe and SAVE up to 53% off the cover price.
• Also available: PAY MONTHLY by easy, low cost, direct debit.

HAND DELIVERY IN CENTRAL & GREATER LONDON & PARTS OF THE SOUTH EAST.
A cosmopolitan, comprehensive and concise newspaper delivered every day to your home or office.
In Central and Greater London and parts of South East England, the International Herald Tribune offers early morning hand delivery on the day of publication, Monday through Saturday.

Unique coverage of the world you live in, brought to you as it changes — daily.
Special subscriptions are available throughout the UK on the day after publication.

For more information about easy ordering and availability of hand delivery CALL our Subscriber Customer Service Department
TOLL FREE 0800 4 448 7827 (0800 4 448 7827)
or Fax 0171 987 3459
E-mail: subs@iht.com — Internet: <http://www.iht.com>

☐ YES, I'd like to subscribe and have my bank account debited monthly by £19.
Please send me my subscription and send me a bank form to arrange my payment.

☐ YES, I'd like to subscribe and pay for the following term:
☐ 12 months (+ 2 months free): £233 (Saving off cover price: 36%)
☐ Special 2-month trial subscription: £24 (Saving off cover price: 53%)
☐ My check is enclosed (payable to the IHT)

Please charge my:
☐ Access ☐ Amex ☐ Diners
☐ Eurocard ☐ MasterCard ☐ Visa
Credit card charges will be made in French Francs at current exchange rate.

Card No: _____ Exp: _____
Signature: _____
☐ Please start delivery and send invoice.

Family Name: _____
First Name: _____
Job Title: _____
Mailing Address: ☐ Home ☐ Business
City: _____
Postal Code: _____
Telephone: _____
E-Mail: _____
Your VAT No (Business orders only): _____

(PAY BY 749 338 211 36)
I give this copy of the IHT to: ☐ Me ☐ Myself ☐ Myself ☐ Other
I do not wish to receive information from other carefully selected companies.

This offer expires on December 31, 1999
and is AVAILABLE FOR NEW SUBSCRIBERS ONLY.
Return your coupon to: Delphine Priebe, International Herald Tribune, 40 Marsh Wall, London E14 9TE.
Fax: 0171 987 3459 E-Mail: subs@iht.com

READERS IN OTHER COUNTRIES CAN SUBSCRIBE BY CALLING:
EUROPE, MIDDLE EAST, AFRICA: 0171 987 3459
THE AMERICAS: 1 800 828 2584
ASIA: 0171 987 3459

GROUPE CLARINS

1998 NET PROFIT UP 55.5 %

	1998		1997		% change ⁽¹⁾	Like-for-like % change ⁽²⁾
In million	FF	€	FF	€		
Net sales	4,013.5	611.8	3,569.5	544.2	+ 12.4%	+ 10.3%
Operating profit	494.1	75.3	437.6	66.7	+ 12.9%	+ 30.2%
Net profit	251.4	38.3	161.7	24.6	+ 55.5%	+ 56.2%
Cash flow	403.2	61.4	310.4	47.3	+ 29.9%	-

(1) At average exchange rate and new consolidation basis.
(2) At constant exchange rates and with consolidation of Thierry Mugler Couture on equity method.

SHARPLY IMPROVED MARGINS
Clarins achieved an outstanding performance in 1998. Sustained business in the Cosmetics Division enabled the Group not only to withstand the Asian crisis but also to continue investing in its Thierry Mugler fashion house.

Net profit in 1998 exceeded the 1996 figure, an objective initially stated for 1999.

The Cosmetics Division turned in one of the best performances in the prestige distribution market:

- Consolidated sales advanced 9.1% to FF 3,756.6 million (€ 572.6 million) or 10.3% at constant exchange rates.
- Operating profit grew by 27.8% to FF 566.3 million (€ 86.3 million).
- Net profit was up by a very strong 42.2% to FF 287.8 million (€ 43.9 million).

The operating margin for Cosmetics Division improved substantially, reaching 15.1% against 12.9% in 1997 and 14.5% in 1996.

Including the Couture Division, fully consolidated for six months in 1997, the Group's earnings growth remained very satisfactory, with operating profit and net profit up 12.9% and 55.5% respectively.

1999 GROWTH NEAR 10 %
First quarter 1999 consolidated sales advanced 11.0% to FF 1,129.0 million (€ 172.1 million). At constant exchange rates, the growth stood at 12.9% and 12.3% for the Cosmetics Division. All the Group's businesses, including the Couture Division, recorded favourable growth. With this excellent start, full-year growth should be close to 10%, barring any major market upset.

1998 NET DIVIDEND UP 21.2 %
A combined General Meeting of Shareholders will be held on June 10, 1999 at 8.30 a.m. at the Pavillon d'Armenonville, Salon Longchamp, Allée de Longchamp 75016 Paris. A net dividend per share of FF 6.55957 (€ 1.00), up 21.2% taking into account the impact of the October 1998 bonus share allocation, will be proposed to the Meeting.

<http://www.clarins-financials.com> GROUPE CLARINS <http://www.clarins-paris.com>
CLARINS, AZZARO, MONTANA, THIERRY MUGLER

ians

ste initial expla-
contrasted with
earlier this month
on a column of
along a road near
ays then for the
lanes had indeed
ntained only mil-
mistake publicly.
d so quickly that
er, Javier Solana,
lay afternoon, he
incident, and said

e 10



for refugees.

ps

dis of fabric-
two Albanian
rder, a spurt in
ple in the past
ers say, about
h. More than
ent cities, and
upstripped the

L' said Paula
ze of the UN

ed

ageocy said Mr.
of his "public
the government
of the federal

bian leadership
feat NATO and

condition of an-
ible fracture" in
shows the price

re 10

DA

stance
Libya

on has eased to
allow food
e sold to Iran.
officials said

is a softening
countries the
g viewed as
and export-
e 10.

S. Beef

n said Wed-
an U.S. beef
inless Wash-
meat had no
nes. Page 11.

Page 7.
Page 5.
Pages 6-7.
Pages 18-19.
www.ihb.com

P
F
nev
pol
fice
his
Lat
pra
Ha
cor
ent
han
lat
Mi
sta
ecu

her in the pro; Ek 3. the the cr ro
to H. le. is re si w st
th u it is of S e A fi
- 2

100

1. 2. 3. 4. 5. 6. 7. 8. 9. 10. 11. 12. 13. 14. 15. 16. 17. 18. 19. 20. 21. 22. 23. 24. 25. 26. 27. 28. 29. 30. 31. 32. 33. 34. 35. 36. 37. 38. 39. 40. 41. 42. 43. 44. 45. 46. 47. 48. 49. 50. 51. 52. 53. 54. 55. 56. 57. 58. 59. 60. 61. 62. 63. 64. 65. 66. 67. 68. 69. 70. 71. 72. 73. 74. 75. 76. 77. 78. 79. 80. 81. 82. 83. 84. 85. 86. 87. 88. 89. 90. 91. 92. 93. 94. 95. 96. 97. 98. 99. 100. 101. 102. 103. 104. 105. 106. 107. 108. 109. 110. 111. 112. 113. 114. 115. 116. 117. 118. 119. 120. 121. 122. 123. 124. 125. 126. 127. 128. 129. 130. 131. 132. 133. 134. 135. 136. 137. 138. 139. 140. 141. 142. 143. 144. 145. 146. 147. 148. 149. 150. 151. 152. 153. 154. 155. 156. 157. 158. 159. 160. 161. 162. 163. 164. 165. 166. 167. 168. 169. 170. 171. 172. 173. 174. 175. 176. 177. 178. 179. 180. 181. 182. 183. 184. 185. 186. 187. 188. 189. 190. 191. 192. 193. 194. 195. 196. 197. 198. 199. 200. 201. 202. 203. 204. 205. 206. 207. 208. 209. 210. 211. 212. 213. 214. 215. 216. 217. 218. 219. 220. 221. 222. 223. 224. 225. 226. 227. 228. 229. 230. 231. 232. 233. 234. 235. 236. 237. 238. 239. 240. 241. 242. 243. 244. 245. 246. 247. 248. 249. 250. 251. 252. 253. 254. 255. 256. 257. 258. 259. 260. 261. 262. 263. 264. 265. 266. 267. 268. 269. 270. 271. 272. 273. 274. 275. 276. 277. 278. 279. 280. 281. 282. 283. 284. 285. 286. 287. 288. 289. 290. 291. 292. 293. 294. 295. 296. 297. 298. 299. 300. 301. 302. 303. 304. 305. 306. 307. 308. 309. 310. 311. 312. 313. 314. 315. 316. 317. 318. 319. 320. 321. 322. 323. 324. 325. 326. 327. 328. 329. 330. 331. 332. 333. 334. 335. 336. 337. 338. 339. 340. 341. 342. 343. 344. 345. 346. 347. 348. 349. 350. 351. 352. 353. 354. 355. 356. 357. 358. 359. 360. 361. 362. 363. 364. 365. 366. 367. 368. 369. 370. 371. 372. 373. 374. 375. 376. 377. 378. 379. 380. 381. 382. 383. 384. 385. 386. 387. 388. 389. 390. 391. 392. 393. 394. 395. 396. 397. 398. 399. 400. 401. 402. 403. 404. 405. 406. 407. 408. 409. 410. 411. 412. 413. 414. 415. 416. 417. 418. 419. 420. 421. 422. 423. 424. 425. 426. 427. 428. 429. 430. 431. 432. 433. 434. 435. 436. 437. 438. 439. 440. 441. 442. 443. 444. 445. 446. 447. 448. 449. 450. 451. 452. 453. 454. 455. 456. 457. 458. 459. 460. 461. 462. 463. 464. 465. 466. 467. 468. 469. 470. 471. 472. 473. 474. 475. 476. 477. 478. 479. 480. 481. 482. 483. 484. 485. 486. 487. 488. 489. 490. 491. 492. 493. 494. 495. 496. 497. 498. 499. 500. 501. 502. 503. 504. 505. 506. 507. 508. 509. 510. 511. 512. 513. 514. 515. 516. 517. 518. 519. 520. 521. 522. 523. 524. 525. 526. 527. 528. 529. 530. 531. 532. 533. 534. 535. 536. 537. 538. 539. 540. 541. 542. 543. 544. 545. 546. 547. 548. 549. 550. 551. 552. 553. 554. 555. 556. 557. 558. 559. 560. 561. 562. 563. 564. 565. 566. 567. 568. 569. 570. 571. 572. 573. 574. 575. 576. 577. 578. 579. 580. 581. 582. 583. 584. 585. 586. 587. 588. 589. 590. 591. 592. 593. 594. 595. 596. 597. 598. 599. 600. 601. 602. 603. 604. 605. 606. 607. 608. 609. 610. 611. 612. 613. 614. 615. 616. 617. 618. 619. 620. 621. 622. 623. 624. 625. 626. 627. 628. 629. 630. 631. 632. 633. 634. 635. 636. 637. 638. 639. 640. 641. 642. 643. 644. 645. 646. 647. 648. 649. 650. 651. 652. 653. 654. 655. 656. 657. 658. 659. 660. 661. 662. 663. 664. 665. 666. 667. 668. 669. 670. 671. 672. 673. 674. 675. 676. 677. 678. 679. 680. 681. 682. 683. 684. 685. 686. 687. 688. 689. 690. 691. 692. 693. 694. 695. 696. 697. 698. 699. 700. 701. 702. 703. 704. 705. 706. 707. 708. 709. 710. 711. 712. 713. 714. 715. 716. 717. 718. 719. 720. 721. 722. 723. 724. 725. 726. 727. 728. 729. 730. 731. 732. 733. 734. 735. 736. 737. 738. 739. 740. 741. 742. 743. 744. 745. 746. 747. 748. 749. 750. 751. 752. 753. 754. 755. 756. 757. 758. 759. 760. 761. 762. 763. 764. 765. 766. 767. 768. 769. 770. 771. 772. 773. 774. 775. 776. 777. 778. 779. 780. 781. 782. 783. 784. 785. 786. 787. 788. 789. 790. 791. 792. 793. 794. 795. 796. 797. 798. 799. 800. 801. 802. 803. 804. 805. 806. 807. 808. 809. 810. 811. 812. 813. 814. 815. 816. 817. 818. 819. 820. 821. 822. 823. 824. 825. 826. 827. 828. 829. 830. 831. 832. 833. 834. 835.

NASDAQ NATIONAL MARKET

(Continued)

| A | | B | | C | | D | | E | | F | | G | | H | | I | | J | | K | | L | | M | | N | | O | | P | | Q | | R | | S | | T | | U | | V | | W | | X | | Y | | Z | | AA | | AB | | AC | | AD | | AE | | AF | | AG | | AH | | AI | | AJ | | AK | | AL | | AM | | AN | | AO | | AP | | AQ | | AR | | AS | | AT | | AU | | AV | | AW | | AX | | AY | | AZ | | BA | | BB | | BC | | BD | | BE | | BF | | BG | | BH | | BI | | BJ | | BK | | BL | | BM | | BN | | BO | | BP | | BQ | | BR | | BS | | BT | | BU | | BV | | BW | | BX | | BY | | BZ | | CA | | CB | | CC | | CD | | CE | | CF | | CG | | CH | | CI | | CJ | | CK | | CL | | CM | | CN | | CO | | CP | | CQ | | CR | | CS | | CT | | CU | | CV | | CW | | CX | | CY | | CZ | | DA | | DB | | DC | | DD | | DE | | DF | | DG | | DH | | DI | | DJ | | DK | | DL | | DM | | DN | | DO | | DP | | DQ | | DR | | DS | | DT | | DU | | DV | | DW | | DX | | DY | | DZ | | EA | | EB | | EC | | ED | | EE | | EF | | EG | | EH | | EI | | EJ | | EK | | EL | | EM | | EN | | EO | | EP | | EQ | | ER | | ES | | ET | | EU | | EV | | EW | | EX | | EY | | EZ | | FA | | FB | | FC | | FD | | FE | | FF | | FG | | FH | | FI | | FJ | | FK | | FL | | FM |
|---|--|---|--|---|--|---|--|---|--|---|--|---|--|---|--|---|--|---|--|---|--|---|--|---|--|---|--|---|--|---|--|---|--|---|--|---|--|---|--|---|--|---|--|---|--|---|--|---|--|---|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|
|---|--|---|--|---|--|---|--|---|--|---|--|---|--|---|--|---|--|---|--|---|--|---|--|---|--|---|--|---|--|---|--|---|--|---|--|---|--|---|--|---|--|---|--|---|--|---|--|---|--|---|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|--|----|

Page 18

No. 36,128

ians

ete initial expla-
g contrasted with
earlier this month
on a column of
along a road near
ays then for the
lanes had indeed
obtained only mil-
mistake publicly.
d so quickly that
er, Javier Solana,
lay afternoon, he
incident, and said

e 10



ing/The Associated Press
for refugees.

ps

olis of fabric.
two Albanian
rder, a spurt in
ple in the past
ers say, about
h. More than
ent cities, and
oustripped the

1," said Paula
e of the UN

ⁿ*ed*

agency said Mr. of his "public the government : of the federal

bian leadership
feat NATO and

condition of an-
ible fracture" in
shows the price

je 10

DA

Stance in Libya

U.S. has eased
to allow food
to be sold to Iran,
officials said

Is a softening
countries the
ig viewed as
1 and export-
e 10.

S. Beef

n said Wed-
an U.S. beef
mless Wash-
meat had no
nes. Page 11.

..... Page 7.
..... Page 5.
... Pages 6-7.
Pages 18-19.
wint.com

DENNIS THE MENACE



"DO I HAF TA GET CLEAN? ISN'T
BEING WET GOOD ENOUGH?"

PEANUTS



GARFIELD



BEETLE BAILEY



BLONDIE.



CALVIN AND HOBBS

**WIZARD of ID**

NON SEQUITUR

**DOONESBURY**

Internet address:
<http://www.iht.com>

THE WORLD'S MAIL NEWSPAPER

SPORTS

Quarterbacks Dominate NFL Draft

Couch, McNabb and Smith Go 1-2-3; Saints Get Ricky Williams

The Associated Press
NEW YORK — The quarterbacks went as quickly as 1-2-3. Then the deal began, with Ricky Williams at the center of it all.

Tim Couch, Donovan McNabb and Aki Smith went to Cleveland, Philadelphia and Cincinnati in the National Football League draft on Saturday — the first quarterback trifecta since 1971.

Overall, five quarterbacks were taken in the top dozen picks. Dan LeFevour went to Minnesota with the 11th choice and Cade McNown went to Chicago with the 12th pick. A sixth quarterback, Shaun King, was taken in the second round by Tampa Bay — the 50th choice overall — and a seventh signal caller, Brock Huard, went to Seattle in the third round.

But the quarterbacks had to share top billing with the New Orleans Saints and their coach, Mike Ditka, who did just what he said he would do: get Williams, the Heisman Trophy-winning running back, no matter what it took. In turn, Ditka's maneuvering helped out the Washington Redskins.

Ditka made his move after Indianapolis used the fourth choice to take the Miami running back Edgerrin James instead of Williams. The Saints' coach then struck a deal, trading all his picks this year and his first and third next year — a total of eight in all — to Washington for the right to pick Williams with the first slot. That set up the rest of the draft and it certainly set up the Redskins.

After the deal was struck, Ditka emerged from the Saints' war room, pumped both fists in the air, fired up a big cigar and shouted: "The power of

prayer did it."

"I love the kid, everything about him," Ditka said of Williams. "It's what we need. I think he's going to show people he's the best college football player coming out. He gives us what Walter Payton gave Chicago."

None of that would have happened had the Colts not taken James over Williams, who was disappointed not to be the first running back taken.

Moreover, the deal opened the way for the Redskins to turn around and trade some of those picks to the Bears for the seventh choice and the player they wanted most: the Georgia cornerback Champ Bailey.

The Colts' president, Bill Polian, said it "basically was a tie" between James and Williams, although he said he felt James was better at catching the football. That's a talent the Colts will need, particularly since they traded Marshall Faulk, who had 86 catches last season, to the Rams last Thursday.

It was also a socially significant draft. Of the first five quarterbacks taken, three are black: McNabb, Smith and Culpepper. That equals the entire number of black quarterbacks taken in the first round since the NFL-AFL merger in 1970 — Doug Williams in 1978, Andre Ware in 1990 and Steve McNair in 1995. Oakland, then in the American Football League, chose Eldridge Dickey in the first round in 1968.

"It's about time," said Smith on Saturday after he was chosen with the third pick overall. "We have maybe five or six African-American quarterbacks that will be going in the draft today or tomorrow."

"Because of people like Doug Williams who have paved the way, it now becomes a burden on us to pave the way for the next generation," Smith added.

The Browns' pick was preordained. The expansion team had signed Couch, a Kentucky junior, before the draft. Philadelphia's selection of McNabb, the Syracuse quarterback, also was a given although some Eagles fans wanted Williams so badly that a group seated in the gallery booed when the team selected McNabb.

The shocker was the Colts' choice of James over Williams.

"Everyone felt like No. 4 that Indianapolis was going to take a running back — everyone assumed it was Ricky Williams," said the Washington general manager, Charley Casserly, who now has three first-round picks next year.

"We were wrong. So we moved back two spots, got a No. 1 next year and the player we were going to take at No. 5. When we put that all together, it's a pretty good deal for us."

The New York Giants surprisingly took an offensive tackle, Luke Petitgout of Notre Dame, in the first round. He was projected as a second-round pick, but it could be a good choice for the Giants who have gotten stars such as Michael Strahan and Jason Sehorn with second-round picks.

Dallas traded up two picks to take Elmeris Ekanem, a defensive end from North Carolina, to bolster a defensive line weakened by free-agent defections and the potential drug suspension of Leon Lett. Arizona used its second first-round pick to get an offensive tackle, L.J. Shelton of Eastern Michigan.



AT THE HEAD OF THE PACK — Leaders in the men's event of the London Marathon, which was held Sunday, crossing Tower Bridge. Abdelkader Mouaziz of Morocco won the men's race in 2 hours, 7 minutes and 56 seconds, while Joyce Chepchumba of Kenya won the women's event in 2:23:21.

SCOREBOARD

BASEBALL

MAJOR LEAGUE STANDINGS

| Team | W | L | Pct. | GB |
|---------------|---|---|------|----|
| Boston | 7 | 2 | .778 | — |
| Tampa Bay | 6 | 3 | .667 | 1 |
| New York | 5 | 4 | .556 | 2 |
| Florida | 5 | 4 | .556 | 2 |
| Atlanta | 4 | 5 | .444 | 3 |
| Philadelphia | 4 | 5 | .444 | 3 |
| St. Louis | 4 | 5 | .444 | 3 |
| San Francisco | 4 | 5 | .444 | 3 |
| Los Angeles | 4 | 5 | .444 | 3 |
| Chicago | 4 | 5 | .444 | 3 |
| Seattle | 4 | 5 | .444 | 3 |

NATIONAL LEAGUE

| Team | W | L | Pct. | GB |
|---------------|---|---|------|----|
| St. Louis | 7 | 2 | .778 | — |
| San Francisco | 6 | 3 | .667 | 1 |
| Los Angeles | 5 | 4 | .556 | 2 |
| Chicago | 5 | 4 | .556 | 2 |
| Atlanta | 4 | 5 | .444 | 3 |
| Philadelphia | 4 | 5 | .444 | 3 |
| St. Louis | 4 | 5 | .444 | 3 |
| San Francisco | 4 | 5 | .444 | 3 |
| Los Angeles | 4 | 5 | .444 | 3 |
| Chicago | 4 | 5 | .444 | 3 |
| Atlanta | 4 | 5 | .444 | 3 |
| Philadelphia | 4 | 5 | .444 | 3 |

NATIONAL LEAGUE

| Team | W | L | Pct. | GB |
|---------------|---|---|------|----|
| St. Louis | 7 | 2 | .778 | — |
| San Francisco | 6 | 3 | .667 | 1 |
| Los Angeles | 5 | 4 | .556 | 2 |
| Chicago | 5 | 4 | .556 | 2 |
| Atlanta | 4 | 5 | .444 | 3 |
| Philadelphia | 4 | 5 | .444 | 3 |
| St. Louis | 4 | 5 | .444 | 3 |
| San Francisco | 4 | 5 | .444 | 3 |
| Los Angeles | 4 | 5 | .444 | 3 |
| Chicago | 4 | 5 | .444 | 3 |
| Atlanta | 4 | 5 | .444 | 3 |
| Philadelphia | 4 | 5 | .444 | 3 |

NATIONAL LEAGUE

| Team | W | L | Pct. | GB |
|---------------|---|---|------|----|
| St. Louis | 7 | 2 | .778 | — |
| San Francisco | 6 | 3 | .667 | 1 |
| Los Angeles | 5 | 4 | .556 | 2 |
| Chicago | 5 | 4 | .556 | 2 |
| Atlanta | 4 | 5 | .444 | 3 |
| Philadelphia | 4 | 5 | .444 | 3 |
| St. Louis | 4 | 5 | .444 | 3 |
| San Francisco | 4 | 5 | .444 | 3 |
| Los Angeles | 4 | 5 | .444 | 3 |
| Chicago | 4 | 5 | .444 | 3 |
| Atlanta | 4 | 5 | .444 | 3 |
| Philadelphia | 4 | 5 | .444 | 3 |

NATIONAL LEAGUE

| Team | W | L | Pct. | GB |
|---------------|---|---|------|----|
| St. Louis | 7 | 2 | .778 | — |
| San Francisco | 6 | 3 | .667 | 1 |
| Los Angeles | 5 | 4 | .556 | 2 |
| Chicago | 5 | 4 | .556 | 2 |
| Atlanta | 4 | 5 | .444 | 3 |
| Philadelphia | 4 | 5 | .444 | 3 |
| St. Louis | 4 | 5 | .444 | 3 |
| San Francisco | 4 | 5 | .444 | 3 |
| Los Angeles | 4 | 5 | .444 | 3 |
| Chicago | 4 | 5 | .444 | 3 |
| Atlanta | 4 | 5 | .444 | 3 |
| Philadelphia | 4 | 5 | .444 | 3 |

NATIONAL LEAGUE

| Team | W | L | Pct. | GB |
|---------------|---|---|------|----|
| St. Louis | 7 | 2 | .778 | — |
| San Francisco | 6 | 3 | .667 | 1 |
| Los Angeles | 5 | 4 | .556 | 2 |
| Chicago | 5 | 4 | .556 | 2 |
| Atlanta | 4 | 5 | .444 | 3 |
| Philadelphia | 4 | 5 | .444 | 3 |
| St. Louis | 4 | 5 | .444 | 3 |
| San Francisco | 4 | 5 | .444 | 3 |
| Los Angeles | 4 | 5 | .444 | 3 |
| Chicago | 4 | 5 | .444 | 3 |
| Atlanta | 4 | 5 | .444 | 3 |
| Philadelphia | 4 | 5 | .444 | 3 |

NATIONAL LEAGUE

| Team | W | L | Pct. | GB |
|---------------|---|---|------|----|
| St. Louis | 7 | 2 | .778 | — |
| San Francisco | 6 | 3 | .667 | 1 |
| Los Angeles | 5 | 4 | .556 | 2 |
| Chicago | 5 | 4 | .556 | 2 |
| Atlanta | 4 | 5 | .444 | 3 |
| Philadelphia | 4 | 5 | .444 | 3 |
| St. Louis | 4 | 5 | .444 | 3 |
| San Francisco | 4 | 5 | .444 | 3 |
| Los Angeles | 4 | 5 | .444 | 3 |
| Chicago | 4 | 5 | .444 | 3 |
| Atlanta | 4 | 5 | .444 | 3 |
| Philadelphia | 4 | 5 | .444 | 3 |

SCOREBOARD

BASEBALL

MAJOR LEAGUE STANDINGS

| Team | W | L | Pct. | GB |
|---------------|---|---|------|----|
| Boston | 7 | 2 | .778 | — |
| Tampa Bay | 6 | 3 | .667 | 1 |
| New York | 5 | 4 | .556 | 2 |
| Florida | 5 | 4 | .556 | 2 |
| Atlanta | 4 | 5 | .444 | 3 |
| Philadelphia | 4 | 5 | .444 | 3 |
| St. Louis | 4 | 5 | .444 | 3 |
| San Francisco | 4 | 5 | .444 | 3 |
| Los Angeles | 4 | 5 | .444 | 3 |
| Chicago | 4 | 5 | .444 | 3 |
| Seattle | 4 | 5 | .444 | 3 |

NATIONAL LEAGUE

| Team | W | L | Pct. | GB |
|---------------|---|---|------|----|
| St. Louis | 7 | 2 | .778 | — |
| San Francisco | 6 | 3 | .667 | 1 |
| Los Angeles | 5 | 4 | .556 | 2 |
| Chicago | 5 | 4 | .556 | 2 |
| Atlanta | 4 | 5 | .444 | 3 |
| Philadelphia | 4 | 5 | .444 | 3 |
| St. Louis | 4 | 5 | .444 | 3 |
| San Francisco | 4 | 5 | .444 | 3 |
| Los Angeles | 4 | 5 | .444 | 3 |
| Chicago | 4 | 5 | .444 | 3 |
| Atlanta | 4 | 5 | .444 | 3 |
| Philadelphia | 4 | 5 | .444 | 3 |

NATIONAL LEAGUE

| Team | W | L | Pct. | GB |
|---------------|---|---|------|----|
| St. Louis | 7 | 2 | .778 | — |
| San Francisco | 6 | 3 | .667 | 1 |
| Los Angeles | 5 | 4 | .556 | 2 |
| Chicago | 5 | 4 | .556 | 2 |
| Atlanta | 4 | 5 | .444 | 3 |
| Philadelphia | 4 | 5 | .444 | 3 |
| St. Louis | 4 | 5 | .444 | 3 |
| San Francisco | 4 | 5 | .444 | 3 |
| Los Angeles | 4 | 5 | .444 | 3 |
| Chicago | 4 | 5 | .444 | 3 |
| Atlanta | 4 | 5 | .444 | 3 |
| Philadelphia | 4 | 5 | .444 | 3 |

NATIONAL LEAGUE

| Team | W | L | Pct. | GB |
|---------------|---|---|------|----|
| St. Louis | 7 | 2 | .778 | — |
| San Francisco | 6 | 3 | .667 | 1 |
| Los Angeles | 5 | 4 | .556 | 2 |
| Chicago | 5 | 4 | .556 | 2 |
| Atlanta | 4 | 5 | .444 | 3 |
| Philadelphia | 4 | 5 | .444 | 3 |
| St. Louis | 4 | 5 | .444 | 3 |
| San Francisco | 4 | 5 | .444 | 3 |
| Los Angeles | 4 | 5 | .444 | 3 |
| Chicago | 4 | 5 | .444 | 3 |
| Atlanta | 4 | 5 | .444 | 3 |
| Philadelphia | 4 | 5 | .444 | 3 |

NATIONAL LEAGUE

| Team | W | L | Pct. | GB |
|---------------|---|---|------|----|
| St. Louis | 7 | 2 | .778 | — |
| San Francisco | 6 | 3 | .667 | 1 |
| Los Angeles | 5 | 4 | .556 | 2 |
| Chicago | 5 | 4 | .556 | 2 |
| Atlanta | 4 | 5 | .444 | 3 |
| Philadelphia | 4 | 5 | .444 | 3 |
| St. Louis | 4 | 5 | .444 | 3 |
| San Francisco | 4 | 5 | .444 | 3 |
| Los Angeles | 4 | 5 | .444 | 3 |
| Chicago | 4 | 5 | .444 | 3 |
| Atlanta | 4 | 5 | .444 | 3 |
| Philadelphia | 4 | 5 | .444 | 3 |

NATIONAL LEAGUE

| Team | W | L | Pct. | GB |
|---------------|---|---|------|----|
| St. Louis | 7 | 2 | .778 | — |
| San Francisco | 6 | 3 | .667 | 1 |
| Los Angeles | 5 | 4 | .556 | 2 |
| Chicago | 5 | 4 | .556 | 2 |
| Atlanta | 4 | 5 | .444 | 3 |
| Philadelphia | 4 | 5 | .444 | 3 |
| St. Louis | 4 | 5 | .444 | 3 |
| San Francisco | 4 | 5 | .444 | 3 |
| Los Angeles | 4 | 5 | .444 | 3 |
| Chicago | 4 | 5 | .444 | 3 |
| Atlanta | 4 | 5 | .444 | 3 |
| Philadelphia | 4 | 5 | .444 | 3 |

NATIONAL LEAGUE

| Team | W | L | Pct. | GB |
|---------------|---|---|------|----|
| St. Louis | 7 | 2 | .778 | — |
| San Francisco | 6 | 3 | .667 | 1 |
| Los Angeles | 5 | 4 | .556 | 2 |
| Chicago | 5 | 4 | .556 | 2 |
| Atlanta | 4 | 5 | .444 | 3 |
| Philadelphia | 4 | 5 | .444 | 3 |
| St. Louis | 4 | 5 | .444 | 3 |
| San Francisco | 4 | 5 | .444 | 3 |
| Los Angeles | 4 | 5 | .444 | 3 |
| Chicago | 4 | 5 | .444 | 3 |
| Atlanta | 4 | 5 | .444 | 3 |
| Philadelphia | 4 | 5 | .444 | 3 |

SCOREBOARD

BASEBALL

MAJOR LEAGUE STANDINGS

| Team | W | L | Pct. | GB |
|---------------|---|---|------|----|
| Boston | 7 | 2 | .778 | — |
| Tampa Bay | 6 | 3 | .667 | 1 |
| New York | 5 | 4 | .556 | 2 |
| Florida | 5 | 4 | .556 | 2 |
| Atlanta | 4 | 5 | .444 | 3 |
| Philadelphia | 4 | 5 | .444 | 3 |
| St. Louis | 4 | 5 | .444 | 3 |
| San Francisco | 4 | 5 | .444 | 3 |
| Los Angeles | 4 | 5 | .444 | 3 |
| Chicago | 4 | 5 | .444 | 3 |
| Seattle | 4 | 5 | .444 | 3 |

NATIONAL LEAGUE

| Team | W | L | Pct. | GB |
|---------------|---|---|------|----|
| St. Louis | 7 | 2 | .778 | — |
| San Francisco | 6 | 3 | .667 | 1 |
| Los Angeles | 5 | 4 | .556 | 2 |
| Chicago | 5 | 4 | .556 | 2 |
| Atlanta | 4 | 5 | .444 | 3 |
| Philadelphia | 4 | 5 | .444 | 3 |
| St. Louis | 4 | 5 | .444 | 3 |
| San Francisco | 4 | 5 | .444 | 3 |
| Los Angeles | 4 | 5 | .444 | 3 |
| Chicago | 4 | 5 | .444 | 3 |
| Atlanta | 4 | 5 | .444 | 3 |
| Philadelphia | 4 | 5 | .444 | 3 |

NATIONAL LEAGUE

| Team | W | L | Pct. | GB |
|---------------|---|---|------|----|
| St. Louis | 7 | 2 | .778 | — |
| San Francisco | 6 | 3 | .667 | 1 |
| Los Angeles | 5 | 4 | .556 | 2 |
| Chicago | 5 | 4 | .556 | 2 |
| Atlanta | 4 | 5 | .444 | 3 |
| Philadelphia | 4 | 5 | .444 | 3 |
| St. Louis | 4 | 5 | .444 | 3 |
| San Francisco | 4 | 5 | .444 | 3 |
| Los Angeles | 4 | 5 | .444 | 3 |
| Chicago | 4 | 5 | .444 | 3 |
| Atlanta | 4 | 5 | .444 | 3 |
| Philadelphia | 4 | 5 | .444 | 3 |

NATIONAL LEAGUE

| Team | W | L | Pct. | GB |
|---------------|---|---|------|----|
| St. Louis | 7 | 2 | .778 | — |
| San Francisco | 6 | 3 | .667 | 1 |
| Los Angeles | 5 | 4 | .556 | 2 |
| Chicago | 5 | 4 | .556 | 2 |
| Atlanta | 4 | 5 | .444 | 3 |
| Philadelphia | 4 | 5 | .444 | 3 |
| St. Louis | 4 | 5 | .444 | 3 |
| San Francisco | 4 | 5 | .444 | 3 |
| Los Angeles | 4 | 5 | .444 | 3 |
| Chicago | 4 | 5 | .444 | 3 |
| Atlanta | 4 | 5 | .444 | |

WORLD ROUNDUP**Uruguay Nips Brazil**

SOCCER Uruguay capitalized on a controversial penalty call with four minutes left in the game to beat Brazil, 2-1, on Sunday in the quarterfinals of the Youth World Cup in Lagos, Nigeria.

Uruguay was awarded the deciding penalty kick when a Brazilian defender, Juan, was called for a foul on Cesar Pellegrin. Nestor Canobbio converted the penalty, with many spectators at National Stadium voicing disapproval of the call.

Uruguay advanced to a semifinal game Wednesday against the winner of a late game Sunday between Japan and Mexico.

Brazil dominated most of the contest but managed only Fernando Baiano's 27th-minute goal. (AP)

Belgrade Runners Cheered

ATHLETICS Ignoring heavy rain and chilly winds — not to mention a wartime atmosphere — tens of thousands of people gathered over the weekend to cheer runners in the annual Belgrade marathon and an accompanying 5-kilometer (3-mile) "Fun Run."

But it wasn't a race, in real terms. Most of the competitors in the marathon Saturday ran at the same pace, joining bands after 3 hours and 15 minutes to cross the finish line together in a show of unity.

Under the motto "Stop the war — run the world," 49 athletes from Yugoslavia, Bulgaria, Germany, Macedonia, Russia and the United States ran the full marathon of 42.195 kilometers. (AP)

Victorious Vandenbroucke

CYCLING Frank Vandenbroucke, a Belgian rider with the Cofidis team, earned his first World Cup victory in the 264-kilometer (165-mile) Liege-Bastogne-Liege cycling classic in Belgium on Sunday.

Vandenbroucke made his break six kilometers from the finish and outspurred the Dutch rider Michael Boogerd of the Rabobank team.

Another Dutchman, Maarten den Bakker, came in third. (AFP)



Frank Vandenbroucke earning his first World Cup victory.

Lazio Hears Footsteps As AC Milan Triumphs

Rome Team's Serie-A Lead Is Cut to One Point

ROME — Oliver Bierhoff scored twice against his former club and Zvonimir Boban scored his first two goals in more than a year Sunday as AC Milan routed Udinese, 5-1, to draw within one point of the fading Serie A leader, Lazio.

George Weah chipped in with a goal and two assists as Milan extended its unbeaten string to six games.

Bierhoff headed in passes from Weah in the 45th minute and Demetrio Albertini in the 60th. The German forward led the league with 27 goals last season for Udinese, but moved to Milan over the summer along with Coach Alberto

EUROPEAN SOCCER

Zaccheroni and the Danish midfielder Thomas Helveg. The trio has helped turn Milan around.

The club finished in the bottom half of the standings in each of the past two seasons, but now has a good shot at its fifth title of the decade.

Milan's second straight victory, coupled with Lazio's second loss in a row, paves the way for an exciting run for the league crown. With five games left in the season, Lazio has 56 points to Milan's 55. Fiorentina is third with 51, and AC Parma has 49.

The league leader lost, 3-1, to visiting Juventus in one of three games played Saturday. Elsewhere, Fiorentina wasted a chance to gain ground, losing 3-0 to Bologna, while Parma drew, 1-1, against Sampdoria.

In other matches Sunday, Milan Rapaije scored with two minutes left as Perugia moved away from relegation danger by upsetting AS Roma, 3-2. Ronaldo scored off a penalty kick but Internazionale of Milan could only draw, 1-1, with Vicenza; Alvaro Recoba of Uruguay spoo in a free kick to lift Venezia past Cagliari, 1-0; Piacenza edged last-place Empoli, 2-1, and Bari and Salernitana drew, 0-0.

ENGLAND Chelsea threw away a 2-0 lead in the last eight minutes and was held to a 2-2 draw by Leicester on Sunday as Gianluca Vialli's team squandered a chance to cut Manchester United's Premier League lead to one point.

After a Gianfranco Zola strike and an own-goal by Robbie Elliott had put Chelsea in control at Stamford Bridge, Vialli watched from the bench as his team conceded two late goals. The defender Michael Duberry prodded a cross into his own net in the 83d minute, and Steve Guppy curled a shot inside the far post for the equalizer.

The point enabled Chelsea to climb into second place above Arsenal. But United still leads by three points and has played one fewer game than the Blues.

Manchester United, which downed Sheffield Wednesday, 3-0, on Saturday with seven of its first-team regulars missing, has 67 points from 32 games while Chelsea has 64 points from 33 matches. Arsenal, with 63 points from 32 games, can regain second place and cut United's lead to one point by beating Wimbledon at home on Monday.

NETHERLANDS Feyenoord needs just one more victory to clinch its 14th league championship. Leo Beenhakker's efficient team from Rotterdam made sure of that by downing NAC Breda, 1-0, on Sunday. A goal at 38 minutes by Danish striker Jon Dahl Tomassoon made the difference.

PSV Eindhoven and Vitesse Arnhem meet Tuesday and are the only two teams with a mathematical chance of catching Feyenoord, which holds a 16-point lead with six rounds to play.

But whether either team grabs a crucial victory in the chase for the second spot and automatic Champions League qualification, Feyenoord (22-4-2) needs a victory against Roda JC Kerkrade on Wednesday to ensure its title.

Ajax lost, 3-1, to Fortuna Sittard. Fortuna had the better scoring chances, and Regilio Simons poked in a deserved first goal at 70 minutes. A minute later, Mark van Bommel picked up a careless clearance by Mario Melichiot and made it 2-0. But when Ajax's Jari Litmanen headed in a goal from a free kick, the final stages started to look interesting.

Yet the Amsterdammers withered, giving Fortuna its first-ever victory at Ajax. It was Ajax's fourth-straight league defeat, which last happened in 1962.

GERMANY Hahnburger SV and Borussia Dortmund played to a lackluster 0-0 draw in a Bundesliga match Sunday that produced no changes in the standings.

Dortmund remained two places behind a possible spot next season in the Champions League, which it won in 1997. Dortmund has won only one match on the road this season.

SPAIN Celta Vigo lost vital momentum in the race for the Spanish first division title Sunday as it was held to a 1-1 draw at home against Alaves.

Celta, which looked like a genuine title contender in overwhelming Real Madrid, 5-1, a week ago, was cut down to size against Alaves, falling behind to a Vitamina Sanchez strike at 53 minutes.

Celta equalized two minutes later on a Juan Sanchez header, but despite having almost all the possession time after that, the team could not find a way through the massed Alaves defense a second time.

Celta's slip leaves Barcelona nine points ahead at the top of the standings, following its 2-1 victory at home over Mallorca Saturday.

After 30 matches, Barcelona has 62 points, with Celta clinging to second with 53. Deportivo, with its 3-1 triumph at Villarreal, moved up to join Valencia and Mallorca at 51 points.

FRANCE Two goals in the last two minutes of extra time gave the defending French champions, Lens, a 2-0 League Cup semifinal victory over Sochaux, reviving the club's hopes of competing in the UEFA Cup next season.

ASIAN CUP WINNERS' CUP Two goals from the Moroccan international Ahmed Bahja, one in sudden-death extra time, helped Al Ittihad become the third consecutive Saudi Arabian team to win the Asian Cup Winners' Cup, defeating the Chunnam Dragons of South Korea, 3-2, on Sunday. (AP, Reuters, AFP)



Inter Milan's Brazilian striker Ronaldo, right, running past Fabio Viviani of Vicenza in a 1-1 draw Sunday.

Russia Reaches Fed Cup Semifinals

MOSCOW — Elena Likhovtseva and Elena Makarova of Russia beat Nathalie Tauziat and Amelie Mauresmo of France, 6-0, 7-6 (7-5), in a decisive doubles match Sunday to move Russia into the Fed Cup World Group I semifinals with a 3-2 victory.

The teams traded breaks in the second set, but the Russians then seized a 6-5 lead and Likhovtseva sent a forehand volley winner between the French players to take the tie-breaker. "The Russian team is a very strong team, and a brave one," French coach Gny Forget said afterward.

In the first reverse singles match, Likhovtseva, the top Russian player, defeated Tauziat to give Russia a 2-1 lead. She closed the first set in 36 minutes and jumped ahead in the opening game of the second to take a 4-1 lead. Tauziat then double-faulted three times.

Tauziat saved two match points in the ninth game, but in the next game, Likhovtseva fired her third ace of the match and put Russia ahead.

Tatiana Panova, ranked 71st on the WTA Tour, then lost to Mauresmo in three sets. Mauresmo, the Australian Open runner-up this year, easily won the first set and was ahead in the second. But hard-running Panova managed to break her opponent in the 11th game and her serve in the next to stay in the match.

Mauresmo briefly struggled against a tired Panova but then won the third set handily, 6-1. "I got tired and lost concentration," said Panova, who lost her first of eight Fed Cup matches. Of

Mauresmo, she said: "She attacks and presses all the time and leads the game. She plays men's tennis. She moves, rotates and steps like a man. I never saw anything like this before."

In the semifinal, Russia will play Slovakia, which downed Switzerland in another World Group I match in Zurich.

Mantilla Wins in Home Town

Felix Mantilla of Spain defeated Karim Alami of Morocco on Sunday to win the Barcelona Open, 7-6 (7-2), 6-3, 6-3. The Associated Press reported.

Mantilla played the same consistently strong game he had played throughout the tournament, in which he lost just one set. "For me this is a dream come true," the Barcelona native said after the match. "To win in front of friends and family makes it the happiest day of my career, and their support gave me wings."

Alami fought back from a 4-0 deficit to take a 6-5 lead in the first set using the same powerful serve and net game that prevailed over Todd Martin of the United States in the semifinals Saturday. But Mantilla won the tiebreaker, 7-2.

It was an even second set until Mantilla broke Alami's serve in the eighth game to go up 5-3, and from then on it was all Mantilla.

Kiefer Captures Japan Open

Fifth-seeded Nicolas Kiefer of Germany defeated seventh-seeded Wayne Ferreira of South Africa, 7-6 (7-5), 7-5, on Sunday to win the Japan Open, his first title in two years and his second

overall. The Associated Press reported from Tokyo.

In the women's final, second-seeded Amy Frazier of the United States beat the top-seeded defending champion, Ai Sugiyama of Japan, 6-2, 6-2, for her second Japan Open title.

Kiefer, ranked No. 26 in the world, showed he was the steadier, more resilient player against the No. 28 Ferreira as he won the closely contested first set in a tiebreaker.

In the second set, Ferreira had a chance to come back when he broke Kiefer's service in the 10th game to even the score at 5-5. But a double fault and two weak returns cost him the next game. Kiefer finished the 1-hour-and-44-minute match with three tough serves and a forehand winner down Ferreira's backhand line.

Kiefer, 21, served six aces and won 66 percent of his service points. Ferreira, 27, had five aces and won 64 percent of his serves.

Kiefer's only previous title was in Toronto in 1997. His victory Sunday could bring him close to a ranking in the Top 20 for the first time in his career.

"It was pretty close. I could have won," Ferreira said. "My first goal was to get to a final. The next one will be to win a tournament. And then the ranking takes care of itself."

In the women's event, Frazier, who won the tournament in 1995, played solidly from the outset and broke the error-prone Sugiyama at love in the opening set's fifth game and again in the seventh before closing out the set in 29 minutes.



(kick off your shoes)

and use **AT&T Direct® Service**. With the world's most powerful network, you get fast, clear, reliable connections from anywhere. Plus you'll always have the option of an operator who speaks your language. All it takes is your AT&T Calling Card or credit card, and you're well on your way. Without a care in the world.

Steps to follow for easy calling worldwide:

1. Just dial the AT&T Access Number for the country you are calling from.
2. Dial the phone number you're calling.
3. Dial your card number.



| AT&T Access Numbers | | | | | |
|---------------------|---------------|-----------------|-----------------|----------------|--------------|
| Austria | 022-903-011 | Greece | 90-990-1311 | Saudi Arabia | 1-800-10 |
| Belgium | 0-800-100-10 | Ireland | 1-800-558-000 | Spain | 900-99-00-11 |
| Czech Republic | 00-42-000-101 | Israel | 1-800-94-94-949 | Sweden | 070-795-611 |
| Egypt (Cairo) | 010-0200 | Italy | 173-1011 | Switzerland | 0800-89-0011 |
| France | 0-800-99-0011 | Netherlands | 0800-022-1111 | United Kingdom | 0800-89-0011 |
| Germany | 0800-2355-288 | Russia (Moscow) | 785-5062 | | 900-89-00-11 |

For access numbers not listed above, ask any operator for AT&T Direct Service, or visit our Web site at: www.att.com/traveler



It's all within your reach.

Credit card calling subject to availability. Payment terms subject to your credit card agreement. Bold-faced countries permit country-to-country calling outside the U.S. Collect calling is available to the U.S. only. Country-to-country rates consist of the cost of a call to the U.S. plus an additional charge based on the country you are calling. You can call the U.S. from all countries listed above. *Pay phone deposit. *Limited availability. *Calling available to most countries. *Public phones require local coin payment during the call. *Dial "02" for outside Cairo. *Additional charges apply outside Moscow, U.S. & U.K. access number in N. Ireland. If call does not complete, use 0800-013-0011. ©1998 AT&T